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A

REVIEW OF THE POLICY  
OF THE  
**GOVERNMENT OF ENGLAND,**

THE STATE OF ITS

TRADE, COMMERCE,

NATIONAL DEBT, AND CURRENCY;

WITH A

PLAN OF FINANCE,

*Submitted to the Government in 1827, 1828, & 1829.*

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BY JAMES THICK.

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*To the Right Honourable the Lords, and the  
Honourable the Commons of the United  
Parliament of Great Britain and Ireland.*

MY LORDS AND GENTLEMEN,

IN inscribing the following pages to the great council of the nation, I may be considered presumptuous ; but as an Englishman born, and venerating the great institutions, and laws of my country ; and believing, as I do, that they are the best calculated for the government of a loyal, powerful, and industrious people---and that by virtue of those laws, the meanest subject in the realm is entitled to approach respectfully, the king, or his parliament ; either to express his adoration, or to seek redress for his grievances :---I have no hesitation in availing myself of that constitutional privilege, to make known my sentiments regarding the causes of those distresses

which the people of this kingdom are now suffering ; and also of pointing out to you, my Lords and Gentlemen, some salutary remedies, with the view either to remove, or mitigate their effects. Believing it to be the anxious desire of those who legislate for, and those who govern the general interests of the nation, to adopt such measures as shall tend to ameliorate the condition of all classes of the people, now suffering under unparalleled privations, as in their wisdom shall seem best.

*My Lords and Gentlemen,*---In imploring legislative interference in the great concerns of the nation, at this eventful period, -permit me to call to mind, that the commerce of the country is the most important branch of our national industry ; and that it is the base upon which that superstructure---national greatness---was reared ; and which has constituted this kingdom the most powerful in the world : and that the care of it requires the exercise of the utmost wisdom of the legislature.

That the trade and commerce of the country have been for a long period languishing ; and that the effects of their depression have extended to all the manufacturing districts, is a fact so notorious, that it requires not the pen of an humble individual, like



myself, to convey to your understandings, what the probable results are likely to be. Notwithstanding which, I beg to observe that the cause of that depression may be, in part, attributed to the want of foresight in those ministers of the crown, who, upon the settlement of the affairs of Europe, at the close of the late war, neglected to secure by commercial treaties, some of the advantages we had obtained, and which we are fully entitled to hold; not only on account of the sacrifices we had made for the benefit of other nations, whose battles we had fought as well as our own---but for our perseverance in maintaining free principles of commercial and national intercourse: and in other respects, I must admit, causes have arisen not altogether within the control of government. And I beg further to observe, that at no period in the history of this country, since we have been a trading nation do we find, that when there has been any great commercial distress, but that its effects have always extended to the manufacturing and agricultural classes: which shews demonstratively, that the well being of the two latter classes, greatly depends upon the success and prosperity of the former:---therefore it is evident, that agriculture and manufactures depend more upon

commerce, than what the landed gentlemen are generally disposed to admit.

The great and appalling difficulties which the government has to encounter, requires the aid of the legislature in the investigation of the causes of those difficulties ; and also in ascertaining, what remedies can be applied for their removal. In furtherance of that object, I have endeavoured to shew in the following pages, that the long restriction upon cash payments, and the return to a metallic currency, without a corresponding reduction of taxation, have caused a derangement of all the affairs of the nation. And in consequence of the uncertain state of the currency, capital has been withdrawn from trade, in which it has heretofore been beneficially employed ; thereby it has become unproductive :---and by the continual drainage to pay the interest of the great national debt, and to support the large government expenditure ; the middling classes of society have been reduced to a state bordering on pauperism, and the labouring classes have been obliged to throw themselves upon their respective parishes for support ; whereby the poors' rates have become so burthensome, that many of the parishes are already unable to support their poor. It is impossible for such a state of things

to continue long, without producing a convulsion, such as will be beyond the power of government to controul. In taking this view, which I imagine must be considered a right one, of the state of the country, necessarily leads me to consider, what remedies can be applied.

That an equitable arrangement with the public creditor---the adoption of economical principles in all the departments of the state---a large reduction of taxation and expenditure---a thorough investigation of the state of the circulating medium---and an immutable standard given to the currency ---together with an extension of freedom, in the trade and commerce of the country---are measures the most essential to be adopted, in order to restore that confidence, so necessary in a commercial country like England.

*My Lords and Gentlemen,*---In concluding this address, forming a short preface to my work, I must take leave to observe, that notwithstanding all those great embarassments, and the gloomy prospects before us, I am fully persuaded that there are resources enough in the country---and by a proper application of them to the exigencies of the state---

we may yet be retrieved from all those evils, which have for a long time, paralyzed all the efforts to a regeneration.

If my endeavours to elucidate the state of the country's affairs, and that the measures I have pointed out as a means for improving them, should be in the least contributive to that end, my labours will be sufficiently rewarded in the satisfaction I shall feel, in having been instrumental in rousing the slumbering energies of a powerful nation---to which all civilized countries look, as the grand bulwark of civil and political freedom.

I have the honour to subscribe myself,

MY LORDS AND GENTLEMEN,

Your most obedient and very humble servant,

JAMES THICK.

LONDON, JAN. 30, 1830.

## A REVIEW, &c.

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IN reviewing the policy of the government of England, and the state of the trade and commerce of the country, as it has been, as it is now, and the prospects of its future condition and improvement ; and in considering the general state of the country, particularly as regards the national debt, and currency ; likewise the evils which have been brought upon society by those delusive systems that have been pursued by the several administrations, which have had the management of the affairs of the nation for the last thirty or forty years,---it requires one to possess more than an ordinary degree of understanding to be satisfied, that, unless great and important changes take place in our foreign, domestic, and commercial policy, we shall not be reduced to such a state as not to be able, by any means, to support the credit of the country, and at the same time to bear

the alarmingly encreasing burthens of the poors' rates.\* That there will be such a convulsion in the state, as England has never yet witnessed, no one can for a moment doubt, unless remedies are speedily applied, to cure the evils that have been brought upon the country, by the neglect of its greatest interests.

When we look at the demoralized state of society, the depraved habits of the rising generation, the great increase of crime, of the blackest character, the pauperism, and the accumulating misery among that portion of the community which has generally been considered the chief strength, and stamina of the country--the trading, manufacturing, and commercial classes---who is there but must tremble for the fate to which it would seem we are fast approaching? We are upon the brink of a precipice, however it is not too late to save ourselves from falling into the gulph; but a different course must be pursued, to that which has been pursued for the last forty years.

The constitution of England is calculated to

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\* It appears by returns laid before parliament the 6th May, 1821, that the poors' rates for England and Wales in 1748, 49, and 50, were in each year about £689,971; in 1776 £1,530,844; in 1783 £2,000,637; in 1803 £4,267,963; in 1813 £6,129,000; and in 1819 £8,155,000. In the year 1827 they exceeded £8,200,000, of which £1,300,000 was expended for other purposes than the relief of the poor.

preserve to the nation, greater benefits than have ever fallen to the lot of any other European state, if its established principles were fairly acted upon. We have looked to the representatives of the people, as the safe guards of public liberty, public morals, and the conservators of Englishmens' rights;---but to what purpose? The legislature has met session after session, but what measures have been adopted by its wisdom to improve the state of the country? To what purposes have the talents of our legislators been applied, other than squabbling about places and pensions, and their own personal interests? The people have been exercising their rights time after time it is true, till they are tired, by returning men to parliament as their representatives, to whom they have confided their interests; and although they have, in many cases, extorted pledges from them, have they not, one and all, when their personal interests have come in contact with their public duty, violated those pledges, and set at nought the general good of the people? Do we find that one parliament succeeding another, has ever been any real benefit to the nation? Do not three fourths of the members get returned, more by the exercise of improper influence, and from motives purely personal, than by a regard to the interests of the state, or by the unbiassed voice of the people? It is to be feared, that as long as we continue to have such parliaments, we can expect but little improvement in our national affairs; for any

minister of the day, can, with a little shifting and shuffling, manage such parliaments, so as to suit his purposes ; and each succeeding administration seems to consider, that ‘ sufficient unto the day is the evil thereof :’ and if they can patch up matters, and humbug the people for the period of the current year, they are willing to leave to chance what might be necessary for the next : and so we go on from year to year without any real or visible measures being adopted to improve our condition, whereby we can hope to have our burthens lightened, by a reduction of taxation, and a check given to the great and alarmingly increasing poors’ rates. Instead of us being, even what Buonaparte used to call us, “ a nation of shopkeepers,” we are very little better than a nation of paupers : the people have been living upon one another so long, that many of the parishes are already unable to support their poor, and are like the nation at large, getting into debt, by borrowing money, which in all probability can never be repaid. Such is the state of the country at this present time ; in fact, we have been going on from bad to worse, ever since the termination of the last war ; a war, that never would have been supported so long, had not the people, generally, believed that it were necessary to make great sacrifices, that it might be brought to a successful termination ; but unfortunately for the country, the sacrifices then made, together with the misplaced confidence in the government, have entailed upon the country the present enormous debt.



We were led to believe, that upon the return of peace, we should enjoy all the benefits, that war was calculated to secure to the people of England. We did arrive at that successful termination anticipated; but where are the benefits we expected to enjoy? What treaties of commerce did our ministers enter into for the benefit of the nation? What steps have been taken to improve, and extend our trade? What indemnity did we obtain from other nations for the great sacrifices we had made, to secure *their* independence—whose battles we had fought as well as our own? What, in a word, has been done, compared to what might have been done, to ameliorate the condition of the people? Alas! the hopes of the nation have been met only with bitter disappointment. A large standing army has been kept up for no other purpose than to keep the people in awe; whilst a profuse expenditure of the public money,—wrung from the people under the greatest distresses and privations,—has been carried on in support of a peace establishment, much too large, and far greater than the exigencies of the country could possibly require. We have been at peace fifteen years, and in that period we might have reduced our debt, at least one hundred millions more than we have, had the government adopted a peace establishment more consistent with the state of the nation, and the patriotism, and loyalty of the people; and had, had recourse also to measures of retrenchment in all the departments of the state. It would then have induced those persons

who have absented themselves from their native land, and who have been spending their money in foreign countries, to remain at home. The heavy imposts, and high prices of the necessaries of life in this country, have been the causes of so many thousands remaining abroad, where millions of British money have been spent by absentees\*; which might, and no doubt would have been spent here, to the benefit of the state, and the domestic trade of the country, had ministers had recourse to retrenchment, and likewise adopted measures for the improvement of the trade and commerce of the country. It is only necessary for persons who have sceptical notions on this subject, to take a trip to the capital of France, to convince themselves, that English money to a very large amount, has been spent in all the towns, from the coast to the capital; to the improvement and benefit of those places, where Englishmen and English families have been residing for many years. Is it not to be lamented then, that British subjects should be compelled to

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\* The number of English now residing in France, according to the different returns made by the police authorities, to the prefect of police at Paris, is as follows: viz. Paris 14,500, Versailles 2080, St. Germain 150, Tours 2795, Bordeaux 965, Bureges 80, Montpellier 300, Marseilles 120, Lyons 60, Fontainebleau 30, St. Quentin 300, Dunkerque 500, St. Omer 700, Boulogne (sur mer) 6100, Calais 4550, and in various other parts of France 1865; making a total of 35,695: (in 1824 there were nearly 16,000 in Boulogne alone) of this number, 6680 are mechanics; their annual expenditure is estimated at 95,885,500 francs, or £3,835,420 sterling.

leave their country, and spend their incomes in foreign countries?—Incomes that are, in many cases, derived from the taxes of the people at home;—but they have been compelled to do so, by the difficulty of supporting themselves and families in this, owing to the high rents, and excessive taxation of the people. The millions that are spent abroad by absentees, may fairly be counted as national loss; for it certainly operates upon the wealth of the nation, in the same degree, as though the balance of trade was against us. Upon taking a fair and dispassionate view of the case, the following obvious questions naturally suggest themselves to one's mind.—

What has driven so many English families to France, and other parts of the continent, but excessive taxation, and the great rents and high prices of the necessaries of life in this country? What induces so many persons to travel for pleasure in foreign countries, in preference to making tours of the United Kingdom, but the comparative cheapness of living, and the moderate expenditure in travelling? Any person who has seen the beauties of England, Scotland, or Ireland, will say, that, combining the comforts to be found in travelling, the refinement of knowledge in the inhabitants, with the beauties of the scenery throughout the United Kingdom, there is no country in the known world equal to it. Where is the Englishman that prefers living under any of the governments in Europe to that of England? What government is there that gives the subject so much liberty,

so much power, such freedom of speech and action, and equal protection by its laws as the constitution of this country? Is it not therefore to be deplored that we should be deprived of the means of enjoying all those great advantages, by the pertinacious adherence of every succeeding administration to the evils and corruptions that have crept into the system; and which is calculated to perpetuate the miseries arising therefrom? Do we, or do our children, acquire more refinement in morals, more correct notions of religious duties, greater habits of industry, and a larger expansion of useful knowledge, and refinement of the mind, by a residence in foreign countries?

Any person who has paid much attention to the habits and customs of the people for the last twenty or thirty years, must be convinced that we are degenerating fast in *principle*, and that the characteristics of Englishmen are changed. That that probity, and honour in fair dealing, which used to distinguish the people of this country, are giving place to trick, and refinement in deception; to the discomfiture of ourselves at home, and the destruction of confidence in our commercial dealings with foreign countries. To what can all these symptoms be attributed, but to the immense load of debt, and the extravagant expenditure of the government?\*

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\* The whole annual income of the nation in 1695, was but £42,500,000, the taxes £5,000,000, and the coined gold and silver £7,500,000. In 1792 the interest of the debt, and

necessarily keeping up excessive taxation; under the pressure of which the people are fast declining, and the virtuous stamina of the country is being destroyed; and whereby they are compelled, in numerous instances, to abandon those honourable modes of living, which their forefathers were accustomed to, and which have been inculcated into the minds of their children, as principles of civil economy. Where is the father of a family, who can contemplate the happy circumstances, that religious and moral rectitude of principle, which he has endeavoured to inculcate, and desires to see his offspring possess, and which he feels it to be also his duty, to leave them in the full possession of; but that his last hours are embittered by the sad reflection,

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other charges on the consolidated fund, amounted to only £11,068,000, and the peace establishment £7,832,000. In 1793, the national debt was but £246,000,000, the interest on the same £11,000,000, and the peace establishment between 6 and £7,000,000, the amount of gold and silver circulating in the united kingdom was £25,000,000, bank notes £10,000,000, and other paper £10,000,000. The income for the year 1823, was £57,402,730, and the expenditure £50,434,269. The estimates of income and expenditure for the year 1829 were as follows: income £51,347,000, expenditure £48,333,593.—A sum £6,000,000 greater than the whole income of the nation in 1695, and nearly ten times as great as the taxes raised at that period. The peace establishment for the present year is more than three times as large as it was in 1793, and the national debt £600,000,000 more than it was at that period! The poor's rates also are nearly four times as large!

that all his efforts are rendered unavailing, from the deranged state of society, arising, in a great measure, from the causes I have stated? Does it not, therefore behove the government, to abandon at once, that system which has been the cause of all the privations and miseries we are enduring, and to check the progress of those evils which are undermining, and destroying the very vitals of our nature? It affords us some satisfaction, certainly, to find that the ministers are beginning to feel the pressure of those difficulties, and the necessity of applying remedies; but it behoves the legislature and government, to be more vigilant, and more energetic, in the exercise of those powers with which they are invested by the people, for the benefit of the whole community, since there are new states starting into existence in many parts of the world, which may become our rivals; and since the march of intellect, (by no means confined to these realms) is rapidly expanding its usefulness among all the nations with which this country has carried on, for centuries, her great commercial dealings; and from which she has derived all her immense wealth and importance, and which has brought her to that pinnacle of greatness and power, whereby she has been enabled to break the chains of slavery, and give liberty and freedom of intercourse, to millions of our fellow beings, in various and remote parts of the world: the consequences of which are, that civilization is making rapid progress, and have already brought into existence new states, with which our

commercial intercourse might be rendered very advantageous and profitable, provided the government adopt strict economy at home, that taxation may be reduced ; so that we may be enabled, fairly to compete with foreign countries, in the supply of manufactures, which those new states will require. It is excessive taxation, that is the principal cause of our difficulties, and which paralyzes our commerce.

The great perfection which the arts, and sciences are brought to, added to the genius and enterprising spirit of the people, would enable us to beat the foreigner in every market in the world ; provided rents and taxes were lower, and the necessities of life cheaper, together with the removal of the heavy imposts that are laid on the raw material, necessary in our manufactures. The very high duties, and the high rate of labour, prevent us supplying the various markets at a cheaper rate than the foreigner.

We complain of a superabundant population, and the government is puzzled how to dispose of that superabundance :—there must be something egregiously wrong in the state, when there appears a *necessity* for getting rid of a portion of its population ; for it is an axiom long admitted, that when a country is numerously peopled, their necessities will produce invention, industry, and economy ; and a nation so circumstanced, and so disposed, is always attended with riches ;—on the contrary, where a country is large, and contains but few inhabitants,

you will generally find an abundance of poverty and indolence. We should therefore endeavour to remove the disabilities, and find out new sources of trade for the employment of the people, rather than put the country to the expence of removing a portion of the unemployed. A forced emigration is not calculated, effectually to cure the evil; it might be of some benefit to the individuals sent out, but it cannot possibly relieve the country of the burthen of taxation, and the poors' rates, which are the great evils that oppress us.

It is rather surprising, that at a time when principles of civil and political economy, engross so much attention, that so little of real knowledge should be displayed, as to the measures that may be proper to be applied, for curing the evils which seem to beset all classes of people; and that emigration should find so many advocates: as if, by depriving the country of a portion of its strength, we should get rid of taxation, and other burthens that oppress the people. If we had but comparatively a small debt, and only a small amount of revenue to raise; and at the same time a large population, suffering great distresses and privations; emigration might be a prudent and wise measure to have recourse to: for in that case you would be relieving the distressed, without weakening the power of the kingdom to any serious extent, as a small revenue could be more easily raised, than a large one, from the more affluent who would be left behind. But when by far the greater portion of the revenue is



raised from the great consumption of articles of necessity ;—and that consumption being principally among the middling and lower orders of society,—you encourage, and by such encouragement, induce a large portion of those classes to emigrate ; you take away the props and necessary supporters of the social compact, and leave the great weight of the edifice upon the weaker pillars. It cannot be expected, if emigration should take place to any considerable extent, that the most *useless* members of society will leave the country ; but rather, on the contrary, the *young*, the *healthful*, and *capitalists*, will be the description of people who will emigrate ; and these are the people the most desirable to be kept at home. The larger portion of the revenue being now raised upon articles of excise, and the consumers of those articles being, principally, the trading and working classes, it is evident, therefore, that if a great portion of the people belonging to these classes are driven out of the country, (no matter from what cause) it will be impossible to raise the necessary amount of revenue, without rendering the taxes more onerous, upon those who remain. We will suppose, for argument sake, that five millions of the people should emigrate, (and there are more than five millions of the distressed) in proportion to that five millions, you will lose the means of raising ten millions of taxes, at the least ; therefore it must be apparent, that emigration cannot relieve the country of its burthens.

It is a maxim incontrovertible, that the strength and power of states, greatly depend upon the numerical force of its inhabitants ; and, when there appears to be a superabundance, depend upon it, the cause will be found, on enquiry, to originate in some mismanagement on the part of the government. A nation can never be great and powerful, without being populous ; and also abound in riches. That we surpass most other countries in the world in these particulars, is my firm conviction ; and we can only continue to maintain that superiority, and to hold the balance of Europe, (I might say the balance of the whole world) whilst we remain rich and powerful. Having arrived at the zenith in this respect, it necessarily behoves us to be careful, and husband our resources, and ameliorate the condition of our trade with foreign countries. The advantages we might enjoy by our trade, would then enable us to surmount all our difficulties. The additional outlets which present themselves to our manufactures, and for the disposal of our foreign produce, in those new states in South America, will, by proper management, be new sources of wealth to the inhabitants of this kingdom.\*

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\*Brazil, Columbia, and Mexico, the three principal states of what is termed, Spanish America, contain a population of sixteen millions of souls, with which, by a proper management of our trade with South America, we might enlarge commercial intercourse to very great advantage. The

What, I would ask, have increased the riches of Great Britain, but her foreign commerce? or what has enabled her to support those extraordinary, and expensive wars, but the great wealth which has flowed into this kingdom by its foreign trade? It was by this we were enabled to destroy that mighty power set up by Buonaparte, which would have enslaved all Europe, but for the glorious success of our arms in the many hard fought battles with the enemy, for the purpose of securing the freedom of the world.

At the conclusion of the last war; and at the settlement of the affairs of Europe; we might, undoubtedly, have obtained by treaty, many commercial advantages; but which were neglected, we had the power in our own hands, but we let the opportunity slip; and other countries have taken advantage of our short-sightedness. Although we had borne the brunt of that war, we were too generous at the conclusion of it; otherwise we should have secured some indemnity for the great sacrifices we had made.

Trade and commerce being the sinews of wealth, it ought therefore to be encouraged and supported; but unfortunately, the aristocracy of the country generally, are averse to any measures that are proposed to benefit trade, conceiving that such are

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exports to Buenos Ayres alone in 1819, amounted to £730,808, and the imports for the year ending January 5th, 1819, amounted to £272,380.

likely to affect their separate interests, and talk and bluster about the landed interest being neglected; forgetting, or affecting not to know, that the great burthens of the state are supported principally by the trade and commerce of the country. It would be better, were the landed gentlemen to lay aside their prejudices, and support more effectually, such measures as are proposed to ease trade of some of the high duties and impositions upon it; we should then be better able to bear the remaining part: for certain it is, that if trade prospers, we cannot fail of being able to pay the taxes upon our home consumptions, and keep faith with the public creditor. The landed gentlemen are generally averse to any tax, that has an appearance of affecting land more than trade; but they should recollect how much their private interests depend upon the welfare of trade, and how much the value of land has improved, since our trade has been augmented.

The free trade principles, introduced by Mr. Huskisson, have certainly given us a brighter omen of future prosperity. — The more freedom there is in trade, the more of our product and manufactures will be exported. Although some of Mr. Huskisson's measures might be objected to, the fundamental principle should be encouraged and improved. At the same time, one ought not to be insensible of the disadvantages in trading with any country, for their commodities, (excepting for those which are indispensable in our manufactures) that do not take from

us, products and manufactures in return ; this observation will particularly apply to France. Whether Mr. Huskisson has a peculiar partiality for that country, I know not ; but for the favor he has conferred upon her, it is certain she is not disposed to give us an equivalent. Whoever will take the trouble to investigate the trade with France, since the year 1678, when the prohibition took place ; (and notwithstanding the prohibition,) they will find that it has generally, if not always, been a losing one to this country. It has been calculated, that for the seventeen or eighteen years previous to 1678, we lost by that trade, a million a year ; if that be the fact, which I firmly believe it is, we ought to be very careful, in taking off restrictions upon the trade, with that, or any other country, that cannot give, or is not disposed to give us an equivalent.

The use of foreign commodities among us, which hinders the consumption of our own, ought to be discouraged as much as possible, particularly those of French manufacture, as they do not take from us ours in return ; but carry away our money, which goes to pay their rent and labour, to the improvement of their lands ; which may be accounted as so much loss to this country.

The high duties upon the manufactures, and trade of Great Britain, gives the people of other countries great advantages over us, and of which *they* are not insensible, as we find they are supplanting us in every market, where we have heretofore had, almost, the exclusive

supply : but how can this be checked, otherwise than by adopting economical principles, whereby the taxes can be reduced, which constitutes so great a clog upon our trade? It will appear more necessary to the well being of trade, and that every stimulous should be given to it ; when we consider, that when peoples' habits are once alienated from the use of our manufactures, and products, they are not easily reclaimed ; besides the stimulous it gives to the manufacturers in other countries, which will be a lasting disadvantage to those of England.

I must take leave to remark here, (in order to shew another cause that exists for the loss of part of our trade) that, that probity and honour in our dealings with foreigners, which formerly so pre-eminently distinguished us, is greatly deteriorated ; the deceptive mode of dressing up our manufactures, has brought us into disrepute in foreign countries ; and why has it been resorted to? but from the difficulty of supplying articles at a cheaper rate, owing to the high price of labour, and the heavy imposts on trade, which have driven manufacturers, and traders, to the degrading principles of trick, and imposition.

If we turn our attention to America, and contemplate the rapid progress she is making, in the improvement of her trade and commerce ; and to the great increase of her naval strength ; we shall find ample cause of alarm, for the inroads that are making upon our foreign commerce. The United States have long shewn a disposition to rival us in trade ; and it must

be admitted, that they have been too successful in this respect.\* They are now endeavouring to rival us in manufacturing also; in which, probably, they will not be so successful. The passing of the late Tariff, may prove, to her cost, that she has been premature, in adopting such a measure; although, no doubt, it may have a serious effect upon the manufacturing districts of this country, and cause a great

\* The tonnage of the United States' shipping in 1822 was 1,224,426 tons, in 1823,—1,338,565, in 1824,—1,389,163, in 1825,—1,425,111, in 1826,—1,534,191, in 1827,—1,600,000, being an average increase in the last four years of 52,373 tons, requiring an average annual increase of about 2700 sailors. The coasting trade, exclusive of steam boats, employed in 1826 were 587,273 tons of shipping; and in 1827—666,420 tons. The public debt of the United States in 1816, amounted to 123,016,375 dollars, and in 1829 its amount was only 58,362,135 dollars. The following are the official returns of the amount of revenue and the value of exports and imports of the United States from the year 1821 to 1828 inclusive, (the exports and imports for 1828 are omitted.)—

	REVENUE.	EXPORTS.	IMPORTS.
	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
1821. . .	13,004,477	64,974,382	62,585,124
1822. . .	17,589,768	72,160,281	83,238,834
1823. . .	19,088,433	74,699,030	77,579,867
1824. . .	17,073,325	75,986,657	80,549,007
1825. . .	20,098,713	99,535,388	96,340,075
1826. . .	23,325,476	75,535,322	84,794,477
1827. . .	22,606,290	82,324,829	79,487,060
1828. . .	24,094,863		

The population of the United States is about 11,500,000.

many hands to be thrown out of employ. The Americans have many advantages over us, particularly in building ships of war, and of commerce, which have been the means of enabling them to engross a much larger portion of the carrying trade to all parts of the world, than otherwise could belong to them. Their trade to China, is a most important branch of their foreign commerce. The statements lately put forth, as to the supply of tea alone, by the Americans, ought to awaken our government, to the dangers, and disadvantages that will accrue to the trade and commerce of England, by a continuance of the monopoly to the East India Company, since the Americans are making such great inroads into all the commerce of the world.

All the subjects of Great Britain ought to be put upon an equal footing, by giving them an equal right of trading to all parts of the world; nothing can be more just, or more for the interest of the country, nor can it fail of greatly increasing the trade and navigation of the kingdom.

Before I proceed further upon this subject, I will give an extract from official returns, laid before parliament, in May, 1828, relative to the East India Company. By those returns we find that the territorial and political debts amounted to £12,019,657, assets on the same branch amounted to only £1,759,361—deficiency £10,260,296. The commercial debts are stated at £1,596,332—Assets, £23,552,608, leaving a balance in favour of the company of £21,956,276. The amount of their



bonds then in circulation, bearing 4 per cent. interest, was £3,780,475---those bonds not bearing interest, were £15,417---The total balance in favour of the company was £7,900,000.

It might be wise, in certain cases, and under particular circumstances, to secure to a corporation, or a community of persons, exclusive privileges for a given period ; but the continuance of laws, that are in themselves prejudicial to the general good, is a national grievance ; and when it is clearly demonstrated, the legislature ought immediately to repeal such laws ; and give to all, an equal right to trade to all parts of the known world ;—freedom of trade being a fundamental part of British liberty.

The monopoly of a trade of such vast extent, which comprehends so great a portion of the globe, and which is now so well known to British traders in general, must in the present state of this country, more particularly when we consider the general state of all other countries, be very improper to be continued.

The many complaints against the East India Company on account of their oppressions, as well as against the monopoly of the China trade, should induce parliament to look at the interests of the kingdom in general, and not permit that company to have the exclusive right, beyond the term of the present charter, of carrying on the trade to the East Indies:—it is but just and fair that this company

should be foreclosed in favour of the nation ; for it is against the national interests, that it should be any longer carried on by a company of merchants, enjoying exclusive privileges, when the laying it open would be a great benefit to the kingdom at large. Nevertheless, in justice to the East India Company, it ought to be observed, that there is not so much bullion carried out of the kingdom now, in consequence of that trade, as there used to be ; (it was computed more than a century ago, that we exported to the East Indies and China 4 or £500,000 in bullion every year) but still that is no argument in favour of their monopoly, but rather tends to shew that if the trade were free, our exports to that country would be greatly augmented.

The declared value of the exports by the East India Company, and private traders, to the East Indies, together with China, were in the year ending Jan. 5th, 1824—£4,228,948, in 1825—£4,076,718 in 1826—£3,918,071, in 1827—£4,468,883, and in 1828—£5,021,599—Total in the five years—£21,894,219. The principal increase was in articles of British manufactured cottons. During the same period, the aggregate value of the several articles imported from the East Indies and China were, in 1824—£10,437,170, in 1825—£10,373,892, in 1826—£10,554,417, in 1827 £10,688,860, and in 1828—£10,662,738.—Total value £52,717,086. Re-exported in the same period, In the year 1824—

£2,599,905, in 1825—£3,006,703, in 1826—  
3,233,636, in 1827—£2,892,446, and in 1828—  
£2,454,802—Total value re-exported £14,187,492.

The following is a statement of the prime cost, and the quantity of tea exported from the port of Canton, by the East India Company ; and also an account of the sale amount of teas, by the company for ten years :—

<i>Exported from Canton in</i>	<i>quantity.</i>	<i>prime cost.</i>
1809—10.....	<i>lbs.</i> 18,230,720.....	£1,194,498
1810—11.....	19,710,737.....	1,300,321
1811—12.....	26,169,221.....	1,738,709
1812—13.....	26,267,413.....	1,972,742
1813—14.....	24,727,436.....	1,711,899
1814—15.....	26,195,144.....	1,743,081
1815—16.....	33,013,387.....	2,157,687
1816—17.....	29,353,973.....	2,017,746
1817—18.....	20,151,597.....	1,322,414
1818—19.....	21,085,860.....	1,321,696

*Amount Sold in*

1810—11.....	<i>lbs.</i> 23,548,468.....	£3,896,291
1811—12.....	21,527,217.....	3,534,274
1812—13.....	23,068,033.....	3,793,383
1813—14.....	23,424,832.....	3,896,817
1814—15.....	27,820,643.....	4,794,359
1815—16.....	26,234,244.....	4,102,668
1816—17.....	21,029,843.....	3,114,479
1817—18.....	23,401,706.....	3,502,388
1818—19.....	26,068,870.....	3,987,007
1819—20.....	25,032,484.....	3,489,385

The quantity of tea retained for home consumption alone, in 1820, was 22,452,050*lbs.* producing a net revenue of £3,128,449. In 1828, the consumption

was 26,790,481*lbs.* the revenue £3,177,179. (The increased consumption of coffee from 1820 to 1828, being a period of eight years, were from 6,896,286*lbs.* to 16,522,423*lbs.* ; and of sugar, from 2,581,251*cwt.* to 3,285,843*cwt.*) By this statement it appears, that the consumption of tea, at home, in 1820, was only 2,580,434*lbs.* less than the amount imported by the company—ergo—the amount re-exported, was only 2,580,434*lbs.* Surely, under a different system, we might have a much larger export trade in that article. The Americans exported from China, in 1824–5, twelve million and half of pounds of tea ; and they, (the Americans) the Dutch, and the Hamburgers, have almost the exclusive supply of tea, into all parts of the world, in consequence of the East India Company's monopoly, and the high duties imposed upon the trade, and commerce of the country.—Let the government look to this ;—for why should English traders, and merchants, be excluded from a participation in so valuable a portion of the commerce of the world.

It appears also, that in the period of the ten years, the increased amount of importations, was only one million and a half of pounds ; and in twenty years—that is from 1810 to 1830—the increased consumption was little more than three millions of pounds ; therefore, if we look at the great increase of the population, and compare the consumption of tea, as well as the consumption of all other articles of necessity, and luxury, we shall find, that there is no great cause for

those congratulations, continually expressed by ministers, and others, as to the prosperity, and comforts of the people: they must be either ignorant of the state of society, or must wish to conceal from general view, the *real state* of the country, when they pour forth such fulsome praises.

It must be observed that the company have only 24 ships in their service, and the amount of their tonnage is only 30,036 tons, but if the trade were thrown open, I have no doubt but that, in the course of a very few years, there would be some hundreds of thousands of tons of shipping employed.

Considering the great rivalry there is in trade in all other parts, and considering also the great change that has taken place in the state of those countries in the East, which have fallen under the dominion of the crown of Great Britain, comprehending a population of nearly one hundred millions, I am of opinion, that by establishing an open trade, properly managed, we might secure to ourselves all the commerce of that vast empire, and to which, we should be enabled to export a larger amount of our own manufactures; thereby give increased employment to the labouring part of the population of this country.

Formerly it was considered that the East India trade was disadvantageous, as it drained us of our coin and bullion; and introduced into Europe goods that prevented the consumption of our own manufactures. It is true, what were brought in, were

principally articles of luxury, such as teas, spices, &c. and manufactured linens and silks, which hindered the consumption of European goods; but the state of society is so much changed in the course of the last fifty years; that those articles which were then mere luxuries, are now become absolute necessities, and are in common and general use, not only in this country, but in all others where commercial enterprize has directed its course, and also forms a considerable portion of our extended trade. As to the manufactured silks, and linens, the use of them has been superseded by the great improvements in our own. The usefulness of many articles imported from the East Indies, in our manufactures, and the re-exportation of others, gives us a balance of trade with other countries, that more than compensates us for any loss that we can be supposed to sustain, either by the exportation of bullion, or the use of Indian manufactures; but I believe very little of our coin, or bullion is now carried out to India, compared to what formerly used to be exported. The exports to that country consist now principally of other commodities.\*

If the trade to the East Indies were laid open, great advantages would accrue to the shipping in-

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\* The total amount of goods exported to the East Indies, China, and the Mauritius for the year ending the 5th January, 1829, was, by the East India Company, £1,126,926 7 7; by free trade, including the privileged trade £4,084,426 16 11, total £5,211,353 4 6.

terest, which has now not sufficient employment for its ships, and which has great reason to complain of the disabilities it labours under, in consequence of the high price of ship building materials, and the heavy imposts laid upon all that relates to the freighting, and clearing of ships from the ports of the United Kingdom. There cannot be a doubt that if the trade to the East Indies, and China, were thrown open to all his majesty's subjects, great benefits would accrue to the commerce of England, as well as to the British Colonies, whereby greater employment would be given to the shipping of Great Britain. Although the trade has been but partially opened, the number of vessels employed in that trade last year, were 125 more than in 1825, as appears by the number of vessels and their tonnage that were entered inwards, and cleared outwards, from the ports of Great Britain to, and from the East Indies and China.

In 1825 there were entered, inwards, ships 89, tonnage 49,378; outwards, ships 102, tonnage 50,016: and 1828, inwards, 140 ships, tonnage 61,270; outwards, 176 ships, tonnage 73,890. This statement clearly shews the probable advantages of an open and free trade.

It is unnecessary for me to state that the shipping interest, is a most important branch of our general trade; yet, strange to say, it is of all others the most neglected. It is unnecessary for me here, to treat more fully upon the shipping interest, as the subject

has been repeatedly brought before parliament ; and has undergone many discussions ; but very little has been done for it by the legislature : upon every occasion there seems to have been great jealousies, or prejudices excited ; but whether they have arisen from ignorance of its importance, or whether the granting of concessions to it, would necessarily lead to more minute enquiries into other branches of the trade and commerce of the country—whereby the government would be under the necessity of retrenching, in order to meet a supposed curtailment in the amount of the revenue—is a point I shall not undertake to determine. But I must remark, that our commercial marine, not only gives employment to many thousands of the male population of the kingdom, but it constitutes a fine nursery for seamen ; from which, in the time of war, we are enabled to man the king's ships with good and efficient sailors.

The high duties upon foreign timber, and other materials necessary for ship-building, which we are obliged to import from foreign parts, prevent a fair competition, with other maritime countries in navigation,—the people of which enjoy great advantages over us in these particulars. All these circumstances combined, are additional reasons why the government should do all in its power to lessen the taxes, by all practical means ; and that it should likewise give every encouragement to the extension of trade to the East Indies, and the New World.



There is another part of the commercial policy of England, which I shall advert to, and which requires revision, I mean that supineness of the government in forming treaties of commerce, when opportunities occur---and this laxity appears striking as regards our interests in the new republican states of America,---although it might appear to some to be of minor importance ; yet I think it will be found, on mature consideration, to be of considerable consequence to our trade with those emancipated provinces. The high duties imposed upon mahogany, and all other timber imported into this kingdom from America, which do not bring clearances from the settlement at Honduras, or from some other of the British settlements, are very injurious, not only to the shipping interest, but to our American trade generally: the duty upon mahogany being 7*l.* 10*s.* per ton, but that which is imported by the Honduras merchants, only 2*l.* 10*s.* or from any other of our colonies 5*l.* per ton. (The duty upon American timber imported into the United Kingdom is 85 per cent. and upon turpentine 100 per cent.) It is very well known that there is very little to be got in the legalized districts of Honduras, and that the principal part brought to this country, is obtained by a contraband trade with the Mosquito shore. The wood-cutters at the Honduras settlement, are obliged to take their gangs from one hundred and fifty, to two hundred miles into the interior of the country, before they can obtain any that is fit for the English market, consequently a great portion

is obtained from the Mosquito shore; but they are obliged to get clearances from Balize to cover that illicit trade; if the duties were taken off, or equalized, a considerable trade might be opened with those provinces bordering on the Mosquito shore, for mahogany, pine, and other woods; as well as for other valuable and indigenous products.

When the British settlers were removed from the Mosquito shore to the other side of the Bay of Honduras, it was stipulated in the treaty of peace with Spain, in 1783, and in a separate convention, in 1786, when they finally evacuated the settlements;---that all the fortifications should be razed, and that the British should only be allowed to cut mahogany, or other timber, in the neighbourhood of Balize; where the British settlement now is. The impolicy, (to say the least of it) of the British government, in agreeing to break up those settlements, has always been condemned; but it is not the only instance in British diplomacy, where we have been outwitted in treaties and conventions with Spain, and other countries. (It has been observed, that we lose by treaties, what we gain by valour; and that we are outwitted, in most parts of our commerce, as well as in other things.) Had we maintained those establishments, we might now have been in possession of some of the finest provinces in all, what is called Spanish America;---provinces that abound in valuable products, and containing a well disposed (though small) population; who, in consequence of the cruelties exercised upon

the aboriginal inhabitants, by the Spaniards, have always considered themselves under the protection of the British government. But notwithstanding the convention entered into with Spain, in 1786, for the evacuation of the territories: we have shewn them, ever since, the *semblance* of protection.

It must be observed, that the country, in fact, was never actually and bona-fide, in the possession of Spain. The cruelties exercised by her towards the natives, created an eternal hatred to the name of a Spaniard, whereby such effectual resistance was made, to all attempts to subdue them, that they have been able always to maintain their independance; consequently the country has never been drained of its valuable products,---such as mahogany, and other valuable timber; sarsaparilla, indigo, and a variety of dye woods, &c.

There are known to be valuable gold and silver mines in the interior; but the natives would never allow them to be worked, for fear of the Spaniards making further attempts to get possession of their country; nearly the whole of which is now divided between two republics,---that of Columbia, and the united provinces of central America.--Although it has been so divided, the most important consideration is, *that the consent of the inhabitants to this compact, has never been asked for, or given!* The geographical situation of the country is such, that it cannot be said that any part of it, naturally, belongs to Columbia; although she has declared, the Mosquito shore,

from the river Chagres, to Cape Gracias a Dios "to be an integral part of the republic." Bryan Edwards, in his history of the West Indies, maintained the right which Great Britain had to the dominion of the country; and states the following facts, which are clear and incontrovertible: namely,---"that the native Indians have never been conquered by, nor did they ever submit, to the Spanish government:---that the Spaniards had never any settlement among them.---that during the course of upwards of 100 years, they have maintained a strict, and uninterrupted alliance, and friendship, with the subjects of Great Britain." In the central provinces, indigo is an indigenous plant, and is cultivated to great advantage; and which forms no mean part of the trade with Guatemala: it was formerly considered to be the best in the world; but the culture of the plant is now so much improved, in the East Indies, that, that which is imported from thence, is now considered equal, if not superior, to that of Guatemala.

To shew the disposition and inclination of the inhabitants of the central provinces to trade with us, I shall here state a single fact, which came within my own knowledge.---In the year 1824, a friend of mine came to England in a vessel, from the bay of Honduras, on board of which, were two natives from Guatemala, owners of the valuable cargo, consisting principally of indigo and sarsaparilla, of the value of 60,000*l*. When they had disposed of it, they went to Manchester, Leeds, and Sheffield, to lay out the

proceeds in manufactured goods, which they shipped at Liverpool, for Truxillo, or the port Omoa in the bay of Honduras, (these being the principal, and I might add, the only ports for the transit of goods to the interior). At that period, Guatemala was, and indeed has continued ever since, in a state of anarchy and rebellion; notwithstanding, there is at present a considerable trade carried on, by the Honduras merchants, with the interior by way of these ports, in indigo, sarsaparilla, dye, woods, and other products of great value; and in return, British manufactured goods are taken, some merchants shipping in the course of a year, to the amount of upwards of 30,000*l.* in value. There can be no doubt, that if protection, and encouragement were given to a trade with these provinces, we could dispose of a very large amount of our manufactures; and receive in return the valuable products of that country; which are not only useful in our manufactures, but are articles of general trade. If there were a regular established government in that country, that trade might be considerably extended, and if facilities were given to it by the British government, which are much wanted, as well as better protection against the pirates, in the bay of Honduras, and on the Mosquito coast, it would be a valuable appendage to the Jamaica trade.

To return again to the consideration of the commercial policy, and trade of Great Britain generally. I must observe, it is surprising the government has

not given greater encouragement, and greater facilities, to an extension of our foreign commerce. It cannot be doubted, but that it is from trade and commerce, that this country has been raised to that pitch of greatness, and power, which has enabled her to carry on such expensive wars, and at the same time, to add to the general stock of the kingdom. It was from the encouragement given to foreign commerce, that England was enabled, from time to time, to enlarge her trade, and likewise her naval strength ; by it, she has maintained those mighty fleets, that have been rendered the terror of the ocean, and by which she has maintained the balance of power in Europe, in a comparative state of equilibrium. It is from foreign trade, we derive all our strength and riches ; in fact, it is the living fountain, from whence we draw all our nourishments ; and by which the body politic subsists. In considering Great Britain, with respect to the conveniences of its harbours, the excellency of its constitution, and the genius and enterprising spirit of its inhabitants ; we must conclude, that there is no nation in the world more capable of increasing in wealth and splendour ; if we regulate well our commerce, and not load it too much with heavy imposts. If the legislature, and the government do not *carefully* exert its powers, in the exercise of legislative wisdom, the most profitable branches of our foreign trade, will be encroached upon ; and if we are not careful of our foreign commerce, and more rigorous in upholding its interests,

we shall lose our reputation, and credit abroad. It is therefore become an interest of so much importance, that we cannot, nor ought we to dispense with it; on the contrary, we ought more and more to extend it to every part of the globe; for not only does our domestic trade depend upon our foreign, but it is by it, and it alone, that we can hope to continue to pay the interest of the debt.

It would not be amiss were we to take a lesson from the government of the United States of America:---The head of that government, General Jackson, seems to feel sensibly, the necessity there is, for a mercantile country to manage its concerns with strict economy; for in his inaugural address, he says ---“with regard to the management of the public revenue, it will be my desire to observe the strictest economy, and more anxiously, because it will facilitate the extinguishment of the national debt. With respect to the great interests of agriculture, commerce and manufactures, *an equitable adjustment of imposts seems to be required*, and the only exception should exist in the peculiar encouragement of any products of either of those that may be found essential to our national independence. Considering *standing armies as dangerous to free governments in time of peace*; I shall not seek to enlarge our present establishments; or disregard that salutary lesson of political experience, which teaches, that the military should be held subordinate to the civil power.” The government of the United States, acting upon those

principles, have enabled the Americans to make such rapid progress in civilization, and in the extension of their trade and commerce.

It must be apparent, that as we enlarge our trade, so in proportion will be the consumption and exportation of our native products, and manufactures.

Other countries may, and will set up manufactures; (as they become more enlightened) but, from the power and excellency of our machinery, the skill and industry of the people, we can always excel them; and by proper regulations, and by a reduction of the heavy imposts laid upon trade, (which can only be accomplished by a rigid economy in the government expenditure abroad, and at home) we shall maintain that superiority in the supply of the different markets of the world, for which we have been heretofore so eminently distinguished.

It cannot be doubted, that the wisdom of the legislature should at all times be employed in promoting the interests of all classes of the community; but it is to be lamented that the people have had too much cause for complaint against their representatives in neglecting the interest of the trading portion thereof. Allowing that every trade has, in some sort of manner, a separate interest, yet it has been too common in parliament, to consider the landed interest, as having a distinct and separate one, and not at all dependant upon trade and commerce: but I would ask what has enhanced the value of land and doubled and trebled, and, in many instances, quadrupled the



rent rolls of the landed proprietors; but the trade and commerce of our country? I would wish those gentlemen, who are such sticklers for the agricultural interest, to consider the different figure we make now, to what we did a century and a half ago, and to consider also, the changes in the affairs and manners of Europe, and other parts of the world since that time; and to look to the great acquisitions of wealth, strength, and power; and also the possessions acquired by that trade, which they are so jealous of.

I will allow the agricultural interest to be a component part of the whole trade of the kingdom; and ought to be supported; but not at the expence of the manufacturing and commercial interests;\*

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\* Doctor Colquhoun, in his treatise on the wealth, power, and resources of the British empire, estimated the value of all property created by agriculture, in all its branches, for the year ending 1812—13, at £216,817,624. But allowing for the depreciation of one-third, occasioned by a change of circumstances since that time, and the alteration in the value of money, by a return to a metallic currency, the value would now be only £141,545,083. He also estimated the whole property created in Great Britain and Ireland, at £425,521,372; and allowing a depreciation of one-third, upon an average of the whole, the reduction will be £141,840,457. Any one who will attempt to deny that the alteration in the currency, has caused a depreciation in value, to the extent here named, must produce stronger proofs, than any we have had yet, or that it has been produced by over production, and not by the alteration in the currency.

for it is by the well doing of the latter, that the former can be supported at all, and the interest of the national debt can likewise be paid.

Can it be believed hereafter that so many of our nobility and gentry should not perceive the inseparable affinity there is between the landed and trading interests, or that they should give the preference to the one, rather than to the other, when it is demonstrated that it cannot go ill with trade, but land will decline also; in fact, they mutually furnish each other with all the necessities, comforts, and luxuries of life.

It appears that, ever since we have been a trading nation, in proportion as our trade has increased, so has the population, and also the general stock of the kingdom; for, in referring back to the period of 1688, when we gloriously succeeded in securing to the people of these realms, the benefits of the constitution, the population of England was only six million, seven hundred thousand, and our national stock was computed at 88,000,000*l.*; (11,500,000*l.* of which, consisted of coined gold and silver) the exports and imports were only 4,000,000*l.* At the commencement of the reign of George I. the population was computed at 7,000,000. The exports and imports of the kingdom then, amounted to about 14,000,000*l.* In 1813, the estimated value of property created in Great Britain and Ireland, amounted to nearly 426,000,000*l.* In 1688, the rental of land, houses, &c. was computed at 14,000,000*l.*; and,

valued at eighteen years' purchase, (the then estimated value) would give 252,000,000*l.* sterling. The rental of land in 1820, was estimated at 54,000,000*l.* sterling; and, valued at twenty years' purchase, would give 1,080,000,000*l.* sterling.\* Before England became a trading nation, the general price of land was twelve years' purchase, and the legal interest ten per cent. About the year 1666, the value of land, in the best counties, was from eighteen to twenty years' purchase, and in the worst, from fourteen to sixteen, and the legal interest six per cent. Since the year 1666, the price of land, in the best counties, has varied from eighteen to twenty-seven years' purchase. In 1688, our exports very little exceeded 2,000,000*l.* in 1703 they amounted to 6,644,103*l.* in 1710,---6,690,828*l.* and in 1715,---7,739,000*l.* (notwithstanding the rebellion broke out in this year); in the following year, they amounted to nearly 9,000,000*l.* In 1730, the exports amounted to 10,900,000*l.* in 1740, to 12,000,000*l.* in 1750, to 12,650,000*l.* in 1760, to 14,250,000*l.* in 1770, to 16,300,000*l.*; in

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\* In consequence of the alteration in the currency, and the uncertain value of Land, (owing to the several causes that have been produced by the long war,) it is impossible to give anything like a correct estimate of the actual value; therefore, the estimate above given, must be taken as imaginary. Although in some local situations, the best land may be worth from twenty to twenty-five years' purchase, yet, if a general average were taken, I doubt very much, whether, at the present time, the value would be more than eighteen years' purchase.

1780, they were reduced to 12,400,000*l.*; in 1790, they had increased to 20,120,000*l.* In 1800, they amounted to 35,990,000*l.* in 1818, to 46,611,348*l.* in 1819, they were only 35,204,464*l.* and in the year 1828, they amounted to 52,797,455*l.* (this being the official value, the real value was only 36,814,176*l.*) In the year 1707, the exports exceeded the imports, 2,493,000*l.* in 1708,--2,270,000*l.* in 1709,--2,100,000*l.* in 1710,---2,680,000*l.* in 1711,---1,780,000*l.* in 1712, ---3,000,000*l.* in 1713,--only 1,590,700*l.* in 1714, 2,600,000*l.* Our exports in 1797, amounted to 30,518,000*l.* and the imports to 23,186,000*l.* surplus of exports, 7,332,000*l.* In 1818, the exports exceeded the imports, by 9,732,348*l.*; in 1819, by only 4,429,380*l.* The exports to foreign parts, in the year ending the 5th Jan. 1829, in British and Irish produce, and manufactures, were 51,276,448*l.* : 8 : 4. foreign and colonial merchandise, 9,806,247*l.* : 10 : 11. making, together, a total value of exports, 61,082,695*l.* : 15 : 7*d.* The imports for the same year, amounted to 43,467,747*l.* : 7 : 7*d.*---shewing a surplus of exports above the imports, of 17,614,948*l.* : 8 : 8*d.* The yearly amount of exports, upon an average, from 1814 to 1820, inclusive, was 45,262,375*l.* The yearly amount of exports, upon an average, from 1821 to 1828, inclusive, 36,462,019*l.* ---annual decrease, in the last eight years, 8,800,356*l.* (this is the real, not official, value.) The yearly amount of exports, of colonial and foreign commerce, from 1814 to 1820, inclusive, 14,517,378*l.* ditto from

1821 to 1828 inclusive 9,992,685*l.* Decrease per annum in the last eight years 4,524,690*l.* In 1827 the exports of cotton goods, hosiery, cotton twist, yarn, linens, woollens, and leather, wrought and unwrought, amounted to 32,000,000*l.* The declared value of woollen goods exported in 1816, was 10,200,926*l.*; in 1817---8,404,527*l.*; in 1818---7,958,927*l.*; 1819---9,047,959*l.*; in 1820---6,899,693*l.* in 1821---6,279,164*l.*; and in 1822---7,395,185*l.* The quantity of cotton twist and yarn, exported from Great Britain in the year 1818 was 14,743,675*lbs.*; in 1826---12,179,521*lbs.*; and the total quantity exported from 1818 to 1826, both years inclusive, was 239,788,868*lbs.* The quantity of raw and thrown silk imported in the year 1823, was 2,880,634*lbs.*; in 1827---3,610,727*lbs.*; and the total quantity imported in the five years, from 1823 to 1827, both years inclusive, and up to the 5th of April 1828, was 17,265,603*lbs.* The English manufactures have lately been estimated at the annual value of 66,600,000*l.* and supposed to employ 1,585,000 people; of this amount, the woollen manufactures constituted 15,000,000*l.*; leather 10,000,000*l.*; iron, tin, and lead 10,000,000*l.*; and cottons 12,000,000*l.* Thus it appears, that the trade and commerce of the country have been improving progressively (with the exception of a few years) ever since the year 1688; and I believe the balance has always, or nearly so, been in our favour.

In looking at the increase of our export trade,

we are too apt to consider it as a positive proof of national prosperity; but we shall find that in so judging, we leave out the most important consideration---namely---the great increase of population: the same inadvertancy is observable in our legislators, for they too, generally consider these great questions abstractedly, whereas they should always be considered relatively; therefore when so connected and considered we, as a matter of course, can draw right conclusions: and what other conclusion can we come to upon the present state of the trade of the country, than that it is not commensurate with the great increase of the population. Although, apparently, a large exportation of goods takes place annually, yet that there are no adequate returns made is well known; and although our export trade has, of late years, been very large, yet I fear from the poverty of the new states in America, to which a large quantity of goods has been sent, and the great reduction in value of those goods, and also for the want of consumption there, that trade has been very unprofitable.

It may not, perhaps, be uninteresting to go a little further, and show the increase of our naval strength, from the years 1660, 1688, and 1716; also the great increase in the number of our commercial ships, and their tonnage, since the year 1716.

It will be seen by a reference to official returns, that in 1660, the royal navy amounted to only 62,594 tons; in 1688, to 101,032 tons; in the year 1716,

to 158,233 tons: and in the year 1829, the naval force consisted of 600 vessels of various rates, viz. 113 carrying 60 guns and upwards, 171 frigates, 304 smaller vessels, and 12 steam vessels; employing about 30,000 sailors.

In the year 1716, the tonnage of our ships of commerce, amounted to only about 500,000 tons; in 1804, the number of trading vessels, registered and belonging to the British dominions, and employed, was 21,725, their tonnage, 2,271,928 tons, and the number of men required to navigate them was 154,299. In 1816, the number was 25,864, the tonnage 2,783,940 tons. In 1827, the number of ships was 23,199, and their tonnage 2,460,500 tons, (shewing a decrease of 2665 ships, and 323,440 tons), and the number of seamen employed was 171,000. In addition to this immense number of commercial ships, may be added, about 3,600, (the tonnage of which amounts to 215,000 tons) belonging to our colonies; making together, 26,799 ships, and of tonnage, 2,675,500 tons;---these constituted the commercial marine of Great Britain, and her colonies, exclusive of steam vessels. The number of steam vessels belonging to, or registered in the several ports of Great Britain, at the present time, is 510, and their tonnage, 26,374 tons. Vessels building, 16, (those belonging to government are not included). The two largest in England, are, the "Soho of London," which registers 353 tons, and "The Thames," of 513 tons burthen; and in Scotland, the largest is,

the "United Kingdom," which registers 335 tons; the smallest, is the "Fortified Packet," of Sunderland, which is but four tons; the smallest in the thames is the Rapid, of 33 tons. The trade of the Port of London alone, according to official returns to parliament, in 1794, was,---British shipping from foreign parts, 429,715 tons; foreign shipping, 191,130 tons:---total, 620,845 tons; to which may be added, coasters and colliers, 1,028,600 tons: making a grand total of 1,649,445 tons. In 1824, British shipping 607,106 tons; foreign ditto, 264,098 tons;--total 871,204 tons; to which may be added, the coasters and colliers, 2,298,982 tons:---grand total in the year 1824, 3,170,186 tons.

The British shipping which entered inwards, and cleared outwards, from, and to all parts of the world, in the year 1814, was 1,800,000 tons; in 1827, it amounted to 2,800,000 tons.---The number of British seamen in 1814, was 116,000; in 1827,---171,000; and foreign seamen, navigating foreign vessels to and from the United Kingdom, were, in 1814,---33,000, and in 1827,---39,500. Thus it will appear, that the number of British seamen, employed in the commerce of Great Britain, had increased since the year 1814, up to 1827, 55,000, and the foreign seamen, 6,500.\* Whether this increase is to be attributed to

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\* The number of British ships employed in 1828, was 23,356, being an increase of nearly 7000, as compared with 1814. The number of seamen employed in 1828, was 181,000, in 1814,—114,000. Vide, Lord Goderich's motion, the 11th June, 1829.)



a partially, free trade system, or not, I shall leave to the public to judge of; but I am inclined to think it may partly be so.

The increased trade at the out ports has also been very great. Liverpool alone possessed, in 1709, only 84 ships, and the amount of their tonnage was 5,798 tons; in 1716,---113 ships, and their tonnage 8,326 tons; in 1723,---131 ships; in 1751,---220 ships, tonnage 19,176 tons; in 1793,---584 ships, tonnage 92,098 tons. In 1800, the number of ships that entered that port, was 4,746, making 450,000 tons; in 1810, the number of ships that entered, was 6,729, making 734,391 tons; in 1812, ships 4,599; in 1814,---5,706 ships entered the port, (the dock dues alone amounted to 59,741*l.* 2 4*d.*) In 1815, the number of ships that entered, was 6,440; the dock dues amounted to 76,915*l.* 8 8*d.* From this statement of the trade of Liverpool, it is fair to presume, that if the trade to the East Indies were thrown completely open, the trade of Liverpool, as well as that of all the other out ports, would be greatly augmented.

The following statement is from a parliamentary return (No. 106) of the shipping employed in the trade of the United Kingdom, from the year 1814 to 1828; by which we have, at one view, the amount of British and Foreign Shipping employed in the trade of Great Britain, in every year for the last fifteen years.

INWARDS.					OUTWARDS.				
	British Ships.		Foreign.			British.		Foreign.	
	Tons.	Tons.	Tons.	Tons.		Tons.	Tons.	Tons.	Tons.
1814 ..	8,975	1,290,248	5,286	599,287	1820 ..	1,271,952	4,620	602,941	
1815 ..	8,880	1,372,108	5,314	746,915	1821 ..	1,398,688	4,701	751,377	
1816 ..	9,774	1,415,723	3,116	379,465	1822 ..	1,340,277	2,579	399,160	
1817 ..	11,255	1,625,121	3,396	445,011	1823 ..	1,558,336	2,905	440,622	
1818 ..	13,000	1,886,394	6,238	762,457	1824 ..	1,715,488	5,399	734,640	
1819 ..	11,974	1,809,128	4,215	542,684	1825 ..	1,562,332	3,795	556,511	
1820 ..	11,285	1,668,060	3,472	447,611	1826 ..	1,549,508	2,969	433,328	
1821 ..	10,810	1,599,274	3,261	396,256	1827 ..	1,488,644	2,626	383,786	
1822 ..	11,087	1,664,186	3,389	469,151	1828 ..	1,539,260	2,843	457,542	
1823 ..	11,271	1,740,859	4,069	582,996		1,546,976	3,437	563,571	
1824 ..	11,733	1,797,320	5,653	759,441		1,657,533	5,026	746,707	
1825 ..	13,516	2,144,598	6,968	958,132		1,793,994	6,075	905,520	
1826 ..	12,473	1,950,630	5,729	694,116		1,737,425	5,410	682,440	
1827 ..	13,133	2,086,890	6,046	751,864		1,887,682	5,714	767,821	
1828 ..	13,436	2,004,357	4,955	634,620		2,006,397	4,405	608,118	

It will be seen by the following statement to what extent our trade has been depreciated since the year 1814; and will show likewise, how fallacious are the official returns of exports, as a means of information regarding our foreign trade.

Exported from the United Kingdom in the under-mentioned periods :---

Years.	Official value.	Real value.	difference of real value above official.	
1814	£36,092,467	£47,851,153	£11,759,286	
1815	44,053,455	53,217,445	9,163,990	
1816	36,711,556	42,942,951	9,228,398	
1817	36,697,610	42,955,256	6,257,646	
1818	41,558,585	43,626,253	2,067,663	Total difference of real value above official.
1819	44,564,014	48,903,760	4,139,716	
1820	35,634,415	37,339,506	1,705,691	
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1821	40,240,277	38,619,807	1,620,380	
1822	40,831,704	36,659,621	4,172,118	
1823	44,256,503	36,968,954	7,269,569	
1824	43,804,372	35,458,048	8,346,324	
1825	48,735,551	38,396,300	10,339,251	
1826	40,965,735	31,536,723	9,429,012	Total difference of real value less than official.
1827	52,219,280	37,182,857	15,036,423	
1828	52,797,455	36,814,176	15,983,279	
			£72,196,356	

The yearly amount of exports upon an average from 1814, to 1820 inclusive was 45,262,375*l*. The yearly amount of exports upon an average from 1821 to 1828 inclusive was 36,462,019*l*. Annual decrease in the last eight years 8,800,356*l*.

It must appear to every one that is the least conversant with commercial affairs, or understands

what constitutes national greatness, that if it had not been for the great trade of this kingdom, we never could have carried on those long and extraordinary wars which this country has been involved in; nor could we have accomplished those great undertakings, which are to be found in the country; neither could we have extended our possessions in foreign parts to that degree, which has rendered the British, the most powerful nation in the world. It is true, we have burthened ourselves with an immense load of debt, which we have not the means, at present, of sensibly diminishing: but if it had not been for our trade, by which we supported those wars, in all probability, we should have been long since a province of France; instead of being an independant and powerful nation; diffusing throughout the world, the true principles of civil, and religious liberty.

Notwithstanding those great difficulties which we now labour under, and which appear to be almost insurmountable; yet I am convinced, upon due consideration of our commercial embarrassments, and of the wealth and resources of the kingdom, provided the legislature give a proper direction to the affairs of the nation, and the government adopt a rigid economy in all the departments of the state, that we shall be able to get the better of all our difficulties, and again assume that proud and commanding eminence, to which we are, from being a powerful nation, entitled to hold,---not only for the good of the people

of these realms, but for the world at large. As the greatness and prosperity of this kingdom depend on its trade, I do hope therefore that the landed gentlemen will lay aside their jealousies,---enlarge their views, and give their assistance, to the relieving trade of some of its burthens, likewise encourage the extension of it by all possible means; for it must be observed that the high duties upon our trade and commerce, give other countries a great advantage over us, and occasion also many inconveniences to the merchant.

Trade is the common concern of all; and should be the principal care of those, who legislate for, and those who govern the general interests of the kingdom; for no country can be safe without strength and riches, and how, I will again repeat, has Great Britain increased in riches, but by her foreign trade and commerce?

Other nations may indeed *envy* us our prosperity, and riches: but we can never be deprived of either, if we manage our commercial concerns properly; for the skill displayed in the superiority of our manufactures, would always enable us to contend with them in the general trade of the world, provided rents, taxes, and the necessities of life were lower; so that we may fairly compete with the foreign manufacturer. If the trade and commerce of the country are suffered to languish, it must be clear, that all classes of the people will become poorer and poorer. Even large capitalists, and the great landowners

themselves, must likewise suffer at last; for when capital becomes unproductive, the labouring part of the community must be supported somehow or other; therefore if there is not sufficient employ for them, they will become chargeable to the parishes; and the property of the rich must, in a greater degree, be applicable to their maintenance. Independent of the annual taxes, which amount to between 55 and 60,000,000*l.* the poor's rates (which are upwards of 8,000,000*l.*) and the tithes, are heavy burthens upon the people. The tithes for Great Britain alone in 1814 were 2,732,898*l.* (the annual revenue of the established church of Ireland amounts to 2,300,000*l.*) all these great imposts must be raised from the industry of the people, besides what they require for their own support.

In the early part of the last century, when the inhabitants of England were only 7,000,000; Sir William Petty calculated that they were not lodged, fed, and clothed, for less than 7*l.* per head; so that the expense of consumption for the whole amounted to 49,000,000*l.* per annum. If we estimate the population of the United Kingdom now, at only 20,000,000, (it is supposed that the population of the British Isles exceeds 23,000,000) and that each person requires 5*s.* per week for support, they will require a yearly income of wages, rent and revenue of 260,000,000*l.* and if at 7*s.* per week, 364,000,000*l.* The taxes and other

assessments upon the people of England, amount to about 4*l.* per head, whilst those of France are but 26*s.* and upon the people in the United States of America only 10*s.* per head. Does it not therefore behove the legislature to apply its wisdom, to the amelioration, and improvement of the general trade, and commerce of the country; and the government too, to the reduction of the annual expenditure; whereby the taxes may be reduced, so that the people might entertain hopes of more propitious times.

In quitting this part of the subject, I shall only repeat what I have before urged, namely, that it must always be good policy, to give as much freedom to trade as is consistent with British liberty; for all monopolies in trade are injurious to the general interests; therefore all his majesty's subjects ought to be put upon an equal footing, and have an equal right of trading to all parts of the world;---such a freedom in trade, would tend to increase greatly, the commerce, and navigation of the kingdom; and would also give additional employment to the increasing population of the country,---cause capital to flow into its proper channels,---thereby add to the nation's stock of wealth.

In concluding a review of the trade and commerce of England, I shall advert to that of France, and the United States of America, and compare the state of those commercial countries, with that of England; with a view of shewing,---that although the commerce of England is very great, it is not so great as

it ought to be,---considering that England, from the convenience of its situation for trade, and other great advantages which she has over other countries in many particulars,---such as a superiority of skill in manufacturing, the power in machinery, and the natural products of her soil; she possesses greater facilities for trade, and commerce, than any other maritime country in the world.

France contains a population of 32,000,000. The population of the British isles, is computed to be about 23,000,000, and that of the United States of America, at 11,500,000. The public debt of France is about 200,000,000*l.* sterling, that of England upwards of 800,000,000*l.* and the debt of the United States, only 58,362,135 dollars, (or about 12,000,000*l.* sterling.)\* The revenue of France is about 40,000,000*l.* sterling; the revenue of the United Kingdom 55,187,142*l.* and that of America 24,091,863 dollars, (or about 5,300,000*l.* sterling.) England, with a population of 23,000,000, and a trade, in exports and imports, amounting to 80,281,923*l.* has to produce a revenue of 55,187,142*l.* from her trade, commerce,

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\* It appears by a statement of the President, in opening the congress, on the 8th of December last, that in the year 1829, there were appropriated in discharge of the public debt, 12,405,205 dollars, which reduced the debt to 48,565,406 dollars, (including 7,000,000 of 5 per cents. subscribed to the bank of the United States); so that, according to the same ratio of reduction, the whole of the debt will be extinguished in four more years.



and agriculture ; whilst France, with a population of 32,000,000, and a trade of 48,720,000*l.* sterling, produces a revenue of 40,000,000*l.* sterling ; (but as France depends more upon agriculture, and her internal trade, than upon commerce, for a revenue, sufficiently accounts for the apparent heavy charge upon her foreign trade) :---and the United States of America, with a population of 11,500,000, and a commerce of 36,407,591*l.* has to provide a revenue of only 5,300,000*l.* The amount of the exports of France, in the year 1828, was 609,922,632 francs, or 24,400,000*l.* sterling, and the imports, 607,677,321 francs, or 24,320,000*l.* sterling, (the colonial trade for the same period, amounted, in exports to 2,100,000*l.* and in imports, to 2,692,000*l.* sterling ;) and the shipping employed, was 346,591 tons. The official value of the exports of England, for the year 1828, was 52,797,455*l.* (but the real value was only 36,814,176*l.*) and the imports 43,467,747*l.* The number of British ships employed, was 23,356, the tonnage of which amounted to 3,100,000 tons. The amount of the exports of the United States, for the year 1827, was 82,324,829 dollars, or about 18,523,000*l.* sterling ; and the imposts 79,487,96 dollars or about 17,884,591*l.* sterling ; and the shipping employed amounted to 1,600,000 tons. It appears that the commerce of France, amounting, in exports and imports, to 53,512,000*l.* is carried on by a mercantile navy of 346,591 tons ; and that of America, amounting to 36,407,591*l.* sterling, with 1,600,000 tons of shipping ; whilst that of England, amounting to

80,281,923*l.* employs 3,100,000 tons of shipping. (The amount of the tonnage of foreign shipping trading to this country, in 1828, was 715,000 tons.) If the commerce of England be apportioned to its shipping, the average per ton will be 25*l.* 17 11¼*d.* (which is a falling off of about 35 per cent. as compared to the year 1814). That of the United States averages 22*l.* 15 1*d.* per ton; whilst that of France, averages 15*l.* 7 10¾*d.* It is therefore easily to be deduced, that the shipping interest of Great Britain, considering the heavy charges it is subject to, is in a very deplorable state: yet, whenever its state is brought under the consideration of the legislature, it is argued and insisted on, that it is not entitled to any legislative relief.

The debt of the United Kingdom, divided equally among its inhabitants averages £34 : 15 : 8 per head; the taxes £2 : 7 : 11¼ per head; (but as Ireland does not contribute her quota, the average of taxes upon the people of Great Britain, is about £3 : 7 : 6 per head): and its trade and commerce (in exports and imports) £3 : 9 : 9¾. The debt of France equally apportioned averages £6 : 5 : 0 per head, the taxes £1 : 5 : 0 and its commerce only £1 : 13 : 5½. The debt of America averages £1 : 0 : 10¼ per head; the taxes 9 : 2½; and its commerce £3 : 3 : 4.

Now, supposing the whole of the revenue of each country,<sup>r</sup> was derived from the exports and imports alone, it would appear that the taxes on the commerce of England amount to £68 : 14 : 10 per cent.

on that of France £74 : 15 : 0 per cent ; and that of America only £14 : 11 : 1<sup>3</sup> per cent. I shall not go any further with the comparison, but leave it to my readers to make their own deductions.

In conclusion I must observe, that it is essential, in order to have a perfect understanding of our situation, and also to have a correct data to go by, in adopting such measures as shall be calculated to improve our commerce ;---whereby we can restore to the nation, that comfort and prosperity, which the people of England formerly enjoyed,---to know how other countries are circumstanced, which depend upon trade and commerce. It is with that view I have given the several statements relative to the trade, and commerce of England ; and that of France, and the United States of America. NOTE.--The following is a statement of the debt of the United States of America, as it stood in 1791, and in subsequent years up to the present :---

<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
1791—75,169,974	1810—53,156,532	1822—93,546,676
1796—81,642,272	1812—45,035,123	1825—83,788,432
1799—77,399,909	1813—55,907,452	1826—81,054,059
1801—82,000,167	1816—123,016,375	1828—67,475,622
1803—74,731,922	1817—115,807,805	1829—58,362,135
1804—85,353,643	1820—91,015,566	1830—48,565,406
1809—56,732,379	1821—89,987,427	

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I have endeavoured to shew in the foregoing pages, that the promoting, and the extending of the trade, and commerce of the country, is necessary to our prosperity, and happiness ; and also that the care of

it redounds more to the riches, and welfare of the people, than any other act of the legislature, and government.

I shall now proceed to consider the national debt, and its effects upon the national resources, and industry of the people; likewise its relation to the currency of the country.

As we have a monarch upon the throne, whose disposition manifestly tends, in a much higher degree than many of his predecessors, to the improvement of the country, and the welfare of his subjects, and also to increase the strength, and power of his kingdom; I do therefore hope, that he will be fully supported by the parliament, and his ministers; by the adoption of such measures, as will tend to ameliorate the condition of his people generally, and relieve the nation of some of its burthens; which are hindrances to future improvement: and also that the national debt may be reduced to such an amount, as what the people can conveniently bear. We shall then be enabled to cope with other nations, in the supply of all the markets in the world, with manufactures, and produce of every description; thereby regain that trade which we have lost, owing to the disorganized state of our affairs at home, arising from the state of the currency, and the heavy taxation of the people.

The public debt, which has been so inconsiderately augmented, might be compared, as to its effects upon the people at large, to the poor, who are a burthen upon their respective parishes: the

rates are levied upon parishes, to pay to the poor, (who are denominated paupers) ; that which the law of the land gives them a right to, for their support : so likewise are the taxes laid upon the people, to pay to the fundholders their interest in the debt, who are, as to the nation, paupers likewise. When I state this, I am aware the comparison will not be very gratifying to those who are living in idleness, and luxury, and wallowing in riches, derived from the taxation of the people ; but it is, nevertheless, a true comparison.

Some people wish us to look at the debt, as being as sacred an edifice, as the sanctuaries of our holy religion ; and to interfere with it in any manner, whereby the fundholders' interest would be curtailed, would be committing as great a sacrilege, as though one stole a bishop's mitre. The fundholder is a complete Shylock---he will have his bond---his pound of flesh : but I am afraid he will, sooner or later, (if a change does not take place very soon, for the better, in the affairs of the nation), more closely resemble the jew, when he exacts the condition of his bond,---terror and remorse will seize him, and the knife will fall !---It cannot be forgotten, that when the necessities of the government, during the continuance of those expensive wars, which the nation has been engaged in, compelled the minister to have recourse to loans ; those who intended to supply his wants in that way, never failed, by all manner of means, to depreciate the credit of the country, in order that they

might exact from him, a good bargain for themselves, consequently, a bad one for the nation. The contractors for loans, took every advantage of the wants of the government,---every sort of trick was resorted to, for the purpose of lowering the price of the funds, whenever a loan was wanted; they not only sold the stock they possessed, but sold many millions more, and borrowed stock, wherever they could, in order to depress the market:---but as soon as the contracts were made, stocks invariably rose; then the delusions were developed, and the country at large, as well as individuals, who were the dupes of their artifices, discovered the cheat. They, in reality, did not doubt the *security*, or the *ability* of the government to fulfil its engagements on the part of the nation; but were actuated solely by the consideration of self interest: no credit was due to them, even for an *appearance* of patriotic feeling; they were actuated by no such motive; it was their own sordid principles, (which characterize all usurers) that prompted them to lend their money; they took every advantage of the peculiar circumstances in which the government was placed, to exact from it terms that have since proved to be injurious to the country. All the contracts were usurious, very little patriotism indeed could be discovered in their nature, they cared but little for the country, beyond their own sordid views,---they lent their money in a depreciated currency, in paper, not worth more than fifteen or sixteen shillings the pound sterling; and

they now insist upon being paid in standard gold! Can this be just? or rather, would it not be more just, ---certainly it would be more to the benefit of the nation at large,---were an equitable adjustment to take place between the fundholder and the government of the country. The nation has suffered long enough under the pressure of heavy taxation, in order to keep faith with those usurious money-lenders. The time is now come, having brought the circulating medium, and the coined money, into a comparative wholesome state, when an equitable arrangement ought to be made with the public creditor. (I do not mean to be understood here, when I use the term 'equitable arrangement' to curtail the amount of the dividends now paid upon the funded debt, but such an alteration of the capital that the nation shall not be called upon to pay 100*l.* principal for money, for the 60 or 70*l.* of paper money lent to the government.) A plan by which such an arrangement could be accomplished, I have had the honour of submitting to his majesty's ministers, (*See Appendix*) and I have some hopes that its feasibility will induce them to adopt it. The fundholder cannot, in justice, object to an equitable arrangement, when it is considered that the alteration in the currency has given him greater benefits than any other class of the people; in fact, the fundholder, the placeman, and the pensioner, are the only persons who have benefitted at all by the change; all the other classes have been plunged into the deepest

distress ; and unless some relief is speedily afforded them, the fundholder's interest will be in jeopardy also. There has been paid to the fundholders, in interest since the last war, nearly 450,000,000*l.* sterling ; the greater portion of which has been paid since the alteration in the value of money took place, therefore the funded interest has been benefitted at the expense of all the other interests ; it is nothing but justice and reason, therefore, that the fundholders should be called upon to make some sacrifice, either in capital or in interest, for every day's experience convinces one more and more that unless great alterations take place in the system, by which taxation may be rendered less onerous, the country will be ruined beyond redemption, and then what will become of the fundholders ?

It is too commonly the practice, when the people cry out for reductions, to remind them of what the government has done for them already, in the way of taking off taxes. I remember in 1825, when the right honourable the *then* Chancellor of the Exchequer, was expatiating on the *prosperous* state of the country, and when some other honourable members were urging the necessity for greater reductions, he tauntingly talked of 'riding a free horse to death,' and that he would not allow himself to be driven ; but if it ever was a question, which was the 'free horse,' or who had allowed themselves 'to be driven,' that question is now clearly decided, that the minister was *not* 'the free horse,' but on the contrary, the



people were the horse, and the minister the rider ; and if *he* has not ridden them to death, they have been driven almost to desperation, under the load of taxation to support the extravagant expenditure of the government.

Although 16 or 18,000,000*l.* of taxes have been taken off, the present amount is more onerous, than the whole were during the war ; for the alteration in the value of money, the want of trade, and the great increase of parochial burthens, have rendered the debt, and the large expenditure of the government almost insupportable ; the effects of which are, a weakening of the social system, and the destruction of the domestic peace and happiness of the people. The currency has been so unsettled, and in such a state for the last thirty years, in consequence of the bank restriction act, and the tampering with it ; and also for the want of a standard, that the value of all property in the kingdom has been subjected to continual fluctuations. All the concerns of the nation have been in so confused a state, that the agriculturist, the manufacturer, and the merchant, have not known how to estimate the state of their affairs, or calculate with any degree of certainty, the probable results of their enterprises. The situation of debtor and creditor, the mortgagor, and mortgagee, and loan-mongers and the government, have all been so affected by the system of paper-money, and the return to cash payments ; that it must be considered a matter of mere honest

principle to have recourse to an equitable adjustment between the respective parties.

The cause of the greater part of our difficulties may be easily traced to the restriction of cash payments: that act has produced most of the evils which have been felt by the agriculturist, the manufacturer, and the trader; and which has brought upon the people generally, so much misery. It must be observed that the bank restriction act was passed in 1797---in a moment of alarm---without due consideration having been given to the consequences that were likely to ensue from the measure. The minister was so alarmed at the representations made to him by the directors of the Bank of England, that the privy counsel was assembled on the Sunday, and after a short deliberation, the order was issued for the suspension of cash payments, and the act was immediately afterwards passed: which limited the suspension to six months after the next definitive peace.

It was impossible, in so short a time, for all the bearings, and consequences of such an act, to be maturely considered: it ought therefore, if a necessity existed for such a measure, (which I very much question) to have been but a temporary one. The facilities that were given, in consequence, to any person who had but little credit, or property, to make money, were such, that in ten years the number of country banks was increased from 230, to upwards of 700; and in the year 1815, there were in

England, and Scotland, no less than 919 of these establishments ; the consequences were, that the country was inundated with paper, and all the gold very soon disappeared from circulation : but as that paper could not be converted into the current coin of the realm, at the will of the holder, it did not in reality represent it, as paper money at all times should : it was therefore merely the representatives of the cupidity of the bank of England, and the weakness, or wickedness of the minister, in passing such an act.

The great increase of the circulating medium, by an unlimited issue of paper, caused the necessities of life to be doubled in price,---rents were raised, and land, and all other property, bore an increased value : but it must be observed, that it certainly was but a fictitious value, to which it was raised, as has been clearly demonstrated by the fall since, owing to a partial return to a metallic currency ; for an ounce of gold then, was, what it had always been before, and is now, *an ounce of gold*,---varying but little in value, relatively considered as to the exchanges, and the intercourse with foreign countries.

There was but little difficulty in borrowing money, when it could be so easily made, and sanctioned, as it was, by the acts of the legislature. People became merchants and traders, without possessing any real capital, or having any other qualifications, which before that period, necessarily belonged to the British merchant. The bank of England gave great encour-

agement to that system of trading without capital, by the supply of bank notes, in the indiscriminate discount of the bills of those merchants, and traders, who, having nothing substantial in their establishments, very soon made their exits through the gazette, whenever the bank refused their paper, leaving their credulous creditors nothing but their cash boxes filled with dishonoured bills, of like character. The real accommodation which the bank afforded to the trade, and commerce of the country, was but small, compared to that of private bankers : the latter were more circumspect in the selection of the paper they discounted ; while the bank of England paid very little regard to the real quality of the paper sent in, or to the legitimacy of the connexions of the parties thereto :---in fact, the bank of England has been the great mart for that mass of fictitious paper, which has led merchants and traders into those inordinate, and indiscreet speculations, that have, several times in the course of the last twenty years, nearly annihilated commercial credit, by causing failures to an alarming extent.

The connexion which has subsisted between the bank and the government ever since the restriction act passed, has enabled it to accumulate immense wealth. The bank has received out of the taxes, levied upon an oppressed people, in the last thirty years, more than 20,000,000*l*. and now it is aiming at the monopoly of the whole banking trade of the country, thereby will become the sole arbiter

of the value of all property in the kingdom;---a power that is fraught with the most dangerous consequences. The most effectual check that can be given to such a power is for the government to withdraw all the unfunded debt from circulation, and allow other joint stock banks to be established. The bank of England has profited more, by the restriction act, than all the other banking establishments in the country put together, as will be seen by a comparison of the state of the bank in 1797 with its state at the present time.

The original capital of the bank, when established in 1693, was but 1,200,000*l.*; in 1793, the capital amounted to 11,642,400*l.*; the value of their capital in 1797, as estimated at the then market price, was about 12,500,000*l.*; the value in 1819 was 30,842,280*l.*; and the present value of it, according to the market price, is upwards of 32,000,000*l.* If we take the difference of the value in 1819 (being 18,342,280*l.*) and add the extra and actual distribution of profits, (beyond the former dividend of seven per cent.) including also the surplus of five millions and upwards, declared on the 15th of August, 1819, which then amounted (after deducting the surplus of 3,826,890*l.* the balance in 1797) to 17,560,175*l.* we then find that the bank had gained from the period of passing the bill (in 1797) up to 1819, 35,902,455*l.*; to which may be added also, the profits upon other advances to government, the dividends upon their capital, and the

sums received for managing the public debt \* (being nearly 280,000*l.* a year) for the last ten years.

The following was the state of the affairs of the Bank in 1797, as laid before a Secret Committee of the House of Lords :---

**BANK DEBTOR.**

Feb. 1797.	Amount of bank notes out.....	£8,640,250
	Other debts, viz. drawing accounts, audit rolls, exchequer bills depo- sited, and various other debits ..	5,130,140
	Debits..	<u>£13,770,390</u>

**BANK CREDITOR.**

Feb. 1797.	By advances to, and on government security, land, and malt, of 1794,— 5,—6, and 7; on exchequer and treasury bills, and interest.....	£10,672,490
	By all other credits, viz. cash, land, bullion, bills discounted, money lent, and other articles .....	6,924,790
	Credits..	<u>£17,597,280</u>
	Balance or surplus, exclusive of the capital of £11,642,400 which was pledged with the government, at 3 per cent interest for its charter.	£3,826,890

The following is a statement of the income of the bank of England, from the 5th January 1826, to the 5th January 1827.

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\* There has been paid to the bank, for managing the public debt, since the termination of the war, upwards of four millions of money !

Annuities, at 3 per cent. payable to the bank, with management .....	£.	s.	d.
	356,502	3	5
Interest on £3,000,000 lent by the bank in 1816.....	90,000	0	0
Management of the national debt, including interest upon exchequer bills issued to make good deficiency of the consolidated fund .....	318,586	16	8 <sup>3</sup> <sub>4</sub>
Ditto life annuities, per act of Geo. III.	2,543	14	6 <sup>3</sup> <sub>4</sub>
Purchased of the trustees for military and naval pensions .....	585,740	0	0
	<hr/>		
	£1,353,372	14	8 <sup>1</sup> <sub>2</sub>
Deduct 8 per cent. dividend, payable on the capital stock of the bank (14,686,800 <i>l.</i> )	1,174,944	0	0
	<hr/>		
Surplus..	£178,428	14	8 <sup>1</sup> <sub>2</sub>

To which may be added the interest on exchequer bills, which they have purchased in the market from time to time, and discounts on bills of exchange; which, I should think, would more than pay the expences of the establishment.

The bank not being content with these enormous profits arising from the issues of paper, are now endeavouring (by the establishing of branch banks) to engross and control the whole circulating medium of the country; and thereby possess a power that ought only to belong to the government, and then to be exercised only under the constitutional acts of the legislature.

Should such a power be exercised by that corporate body, the consequence will be—convulsions in the monied transactions of the people, such as will be beyond the power of the

government to control, or remedy. The directors would only have to determine in their parlour in Threadneedle Street, at any time, when it suited their capricious views,—whether they should contract or extend the circulating medium, and by one post, all their branch banks would be ready to give effect to their orders ; thus the interest of money would be constantly varying,—thereby would be enhanced, or depreciated in value, all the property in the kingdom ; to the injury of the agriculturist, the manufacturer, and the merchant.---Can such a system be correct, or ought it to be tolerated in a commercial country like England?—These are some of the consequences and effects produced by the great national debt, and the introduction of paper money.

It is of the utmost importance to the welfare of the country, that the close connexion now existing between the government and the bank, should be dissolved ; which cannot be accomplished, otherwise than by getting rid of, as soon as possible, the floating debt ; and by the adoption of a system of strict economy in all the departments of the state, that the annual expenditure may be reduced to the amount of revenue raised within the year, and not borrow from the bank, the means of paying the dividends.

It is absolutely necessary, that before the renewal of the charter, the government be released from the trammels of the bank, and the unfunded debt. To facilitate which, the sinking fund would be more beneficially employed in paying off that debt, than



by purchasing stock in the market ; and as the bank charter expires in 1833, by that time the whole of the outstanding exchequer bills might be paid off by the operation of the sinking fund ; the ministry and the legislature would then be free in the discussion of the terms upon which a renewal should be granted.

The system of borrowing money, however objectionable in principle, is not so bad in private individuals, traders, and merchants, as it is in governments ; for by the former it is generally employed in the improvement of land, and in improving and extending the trade and commerce of the country ; by which means great benefits accrue to the nation at large ; but it is widely different with a government, because it engenders a spirit of corruption, and an extravagant expenditure of the public money ; particularly where there is a badly pre-disposed administration : ---seldom it is that any benefit is derived by the people, when the government has recourse to such means. I admit that circumstances may arise, when it is almost unavoidable,---such as the sudden breaking out of a war, necessary for the defence and preservation of the political rights, and commercial interest of states so involved ; but nevertheless, it is a bad principle, for it invariably induces great extravagance in the executive power ; besides, it begets indolence, favours corruption, and makes the government inert, as regards the management of the national affairs : for the truth of these remarks, we need only review the conduct of the administrations, which

have had the management of the affairs of this country ever since we have pursued that pernicious course ; but it is so far fortunate for us, that the debt belongs to ourselves, and the interest of it is mostly circulated in this country, with the exception of that which is spent abroad, by absentees ; who, in most cases, cannot live and support their families at home, owing to the high rents, and high prices of the necessaries of life, and the heavy imposts upon all articles of general consumption : added to which,—the excessive parochial rates, in all parishes.

If it had not been for the paper system, we could never have raised so many large loans ; and well would it have been for us, had not that measure (the restriction of cash payments) been resorted to ; which has brought upon us most of the difficulties, and privations we are now labouring under. There were raised by loan :

in 1794,	£4,500,000	in 1807	£18,000,000
1795	12,907,451	1808	12,200,000
1796	42,090,646	1809	12,000,000
1797	42,756,196	1810	19,532,100
1798	14,620,000	1811	16,311,000
1799	18,000,000	1812	24,000,000
1800	12,500,000	1813	27,871,325
1801	18,500,000	1814	58,763,100
1802	34,410,459	1815-16	63,635,589
1803	23,000,000	1817	3,000,000
1804	10,000,000	1818	3,000,000
1805	11,526,699	1819	6,000,000
1806	20,000,000	1820	5,000,000

Besides these sums, there were raised by funding, on account of Ireland, in Great Britain---64,750,000*l.* making together an aggregate amount of debt created, between 1793 and 1817, 598,874,556*l.*---the total annual charge incurred thereon was 30,174,364*l.* There were raised also, by an issue of exchequer bills, upwards of 33,000,000*l.* nearly the whole of which are now outstanding---we see here with what facility the government has plunged the nation into debt, by the aid of paper. We have gone back, in some degree, it is true, to a wholesome state,---as regards the currency; but we have still upon our backs the debt,---the greater portion of which was contracted in a depreciated paper currency, and which we are now required to *repay in gold of standard value.*

To shew further how rapidly the debt has increased, I shall here give a statement of it, as it stood funded, at the end of each war, viz. the 9th of William III. it amounted to only 21,515,742*l.* ---the 12th of queen Anne, 53,681,076*l.*---the 7th of George I. 55,282,978*l.*---the 21st of George II. 78,293,313*l.*---the 3rd of George III. 145,816,082*l.* ---the 23rd of George III. 249,851,628*l.*---the 42nd of George III. 504,610,369*l.*---the 55th of George III. 848,282,477*l.*---and at the end of the reign of George III. the funded and unfunded debt amounted to nearly 900,000,000*l.*! To show the progressive increase, I shall state the amount of the debt, as it stood funded, at the end of every ten

years, from 1700, up to the year 1829 :---in 1700, the debt amounted to 53,681,076*l.*---in 1710, it was under 50,000,000*l.*---in 1720, it amounted to 55,000,000*l.*---in 1730,---47,705,100*l.* in 1740,---44,072,240*l.* in 1750,---72,178,898*l.* in 1860,---88,341,268*l.* in 1770,---126,963,267*l.* in 1780,---142,113,264*l.* in 1790,---228,231,228*l.* in 1800,---451,699,619*l.* (in 1802, the unfunded debt alone amounted to 142,000,000*l.*) in 1810,---631,369,168*l.* and in 1820,---797,900,604*l.* in 1823,--796,530,145*l.* and in 1828,---788,619,875*l.* (The interest of the debt, including management, in 1828, was 29,979,292*l.* 13  $\frac{4}{d}$ .) In the last year of the war, nearly 100,000,000*l.* were added to the debt of the country ; and the expenditure for the three last years of the war, viz, 1813,--14, and 15, amounted to 303,135,000*l.* The unfunded debt in the undermentioned years, was as follows :---

1818	£63,772,364	2822	£41,477,789
1819	53,095,008	1823	41,485,770
1820	48,408,323	1826	31,703,000
1821	40,860,481	1828	34,772,000

Upon reviewing these statements, can it be supposed that the nation could, by possibility, have incurred such an enormous debt, had it not been for the restriction upon cash payments, and the paper system consequent thereon.

Who are they that can advocate such a system as has been pursued, (yet there are such persons to be met with) or can conscientiously wish to entail upon

posterity, the miseries, the present generation are enduring ; without feeling a desire for the adoption of measures calculated for an equitable and just extinguishment of that debt which we have so improvidently incurred ?

Is not the principle justly reprobated, when a father encumbers his paternal estate to the injury of his children, who are in consequence, doomed to suffer privations for his follies, and extravagancies ? and is not this reasoning as cogent, and as strictly applicable to the nation, as to individuals ? wherefore should we then leave to posterity, to do that, which we are bound in common justice, and by the tie of moral virtue to do ourselves ? Now is the time, (as the legislature, in the exercise of its wisdom, has passed such acts, as are calculated to unite all his majesty's subjects in one common bond, to support the interests of the state) to turn our attention to measures for relieving the people generally, of some of the burthens of taxation ; by adopting principles of economy ; whereby we can hope to increase our trade, and place the financial affairs of the country upon such a basis, as shall be calculated to effect a reduction of that debt, which we have so unjustly incurred. There are persons to be found who maintain that the debt is a benefit to the country,---inasmuch as it enables people to make interest of their money, without risking it in trade or commerce,---persons who, from their education, and intercourse with the world, one would be led to con-

clude, had acquired better notions, and better information—as to the real interests of their country, and the right principles of civil policy.—Such persons should be prepared to shew, to entitle them to any consideration,—that what one man acquires by his industry and labour; another, who does not contribute by labour, or otherwise, to the nation's stock, has a right to take from him a portion of his product so acquired; otherwise such ground of reasoning must be futile. How many are there in this country, who are supported by the taxes, and have never done any thing by way of service to the state, that could fairly entitle them to such claims upon the country? is it therefore fair, that the industrious and suffering classes should be taxed for the support of such persons?

The national debt, considered in relation to the national resources, and the industry of the people, must be allowed, by all persons who are at all acquainted with the trade and commerce of the country; to be a great, and national evil---without a single palliative, save that which I have before stated, viz. the sudden breaking out of a war, or a long continuance of a war, necessary for the defence and preservation of the political and commercial rights of the nation; which produces a necessity sometimes for borrowing money. Although the late war was one, which may be deemed to be of the character I have here described; and which was unavoidable, considering the situation of Europe, and the pernicious doctrines and principles, promulgated by the

French revolutionists ; yet upon an impartial view of the manner that war was conducted ; and the corruptions which have crept into the system ; together with the profligate waste of the country's resources, by the mal-administration of its affairs ; we are led, necessarily, to this conclusion---that if it had not been for the introduction of paper-money, sanctioned by the acts of the legislature, it must have been brought to a close much sooner than it was : if it had, the people now, would not be labouring under the pressure of heavy taxation, to pay the interest of that debt which had been so enormously increased during the war, and the trade and commerce of the country would not be burthened by heavy imposts, and be in that languid state it is at present.

It is not only the taxes raised to pay the interest of the debt, and for the support of the large peace establishment ; but the poor's rates also, which are enormously great, that presses so much upon the industry of the people.\*

We shall find upon enquiry, that the poor's rates have increased in an equal ratio with the taxes,

\* It appears by a parliamentary return of 1815, that the number of paupers receiving relief in England, amounted to 895,336, in a population of 11,360,505, or nearly one-twelfth of the whole ; if that were the state of the people then, what must be the proportion now, when there is such an augmentation of misery, and so large an increase of the population ?

and the national debt ; for in 1700 the taxes were only 3,895,285*l.* ; the national debt but 53,681,076*l.* and the poor's rates between 5 and 600,000*l.*

<i>In the year</i>	<i>Taxes,</i>	<i>Poors' Rates.</i>	<i>National Debt,</i>
1710—	£5,320,000. ....	£600,000. ....	£50,000,000
1720—	5,620,000. ....	———— . ....	55,000,000
1730—	5,545,000. ....	640,000 . ....	47,705,100
1740—	5,915,000. ....	———— . ....	44,072,024
1750—	8,525,540. ....	689,971. ....	72,178,898
1760—	7,325,000. ....	———— . ....	88,341,268
1770—	9,314,285. ....	1,530,844 . ....	126,963,267
1780—	10,265,405. ....	———— . ....	142,113,264
1790—	16,815,895. ....	2,000,637 . ....	228,231,228
1800—	36,728,000. ....	———— . ....	451,699,919
1805—	52,287,000. ....	4,267,963. ....	549,137,068
1815—	81,292,911. ....	6,129,000. ....	848,284,000
1820—	59,800,000. ....	8,155,000. ....	848,394,804
1828—	56,000,000. ....	8,200,000. ....	843,391,875

funded and unfunded. It is therefore clear, that the debt carries with it all its concomitant evils.

The country seems now to have arrived at a climax as regards taxation ; and its retrogradation will be rapid and certain, unless remedies are speedily applied. For neither the debt nor the taxes decrease, but the poor's, and all other parochial rates are increasing ;—trade is at a stand still, and the people are becoming poorer and poorer every day,---the ultimatum will be--a national bankruptcy.

How is it possible for the people to support the debt, as it is at present constituted and managed, and the large peace establishment also ; with a de-



clining trade, an increasing population, increasing poor's rates, and a deficient revenue!--Such is the state of the country at the present time.

That delusive plan, the sinking fund, which has been kept up for so many years, is fortunately for the country, nearly exploded. The ministers will now be compelled to turn their attention to a better system for managing and reducing the debt, and for collecting and managing the revenue, the charges for which, is of itself a heavy tax upon the people. The charge for collecting and managing the expenditure of the revenue in 1819 was 5,540,866*l.*---a sum equal to the whole amount of the taxes in 1730. The rate per cent. for collecting the 62,230,527*l.* of revenue was, for the excise £3 : 11 : 2 ; the customs £9 : 3 : 8 ; the stamps £2 : 12 : 6 ; the assessed taxes £3 : 17 : 11 ; the post office £27 : 18 : 0 ; the hackney coaches £14 : 6 : 10 ; and the hawkers and pedlars £16 : 2 : 10. The amount of charge for collecting the customs revenue in 1818 was 1,327,621*l.* ; in 1819, 1,251,721*l.* ; in 1820, 1,097,744*l.* ; and in 1821, 1,069,282*l.* Surely a more economical method could be adopted for this branch of the public service.

It may not be irrelevant to the subject, to consider the effects produced upon the funded debt, and the credit of the country, by the operation of that delusive plan established by Mr. Pitt, called the ' sinking fund,' for a greater deception never has been practised upon the country, than that, of the ministers

continuing in operation for so many years, that financial nonentity ; or if a term more insignificant could be found, it ought to be applied to that measure. The principle of a sinking fund is good, and ought to have an existence, so long as we can have a surplus revenue ; but when we have no surplus revenue, it ought to cease to exist : for to borrow money at a higher rate of interest than what we can produce by the money so borrowed, for the purpose of maintaining a sinking fund ; instead of reducing the debt, we are all the while augmenting it ; and this system which has been so long pursued, has turned out to be nothing else but a financial deception. Mr. Hume stated in the House of Commons, in June, 1827, when speaking upon the financial state of the country, that, “ he was prepared to prove we had lost by the sinking fund, since its establishment by Mr. Pitt, 224,000,000*l.*”---whether he was correct or not in his statement, is *immaterial*, as the fact is *unquestionable*,—that the sinking fund has not, in *reality*, been the means of reducing the debt one shilling. In the year 1815, nearly ninety millions of capital were created ; and the money paid into the treasury on that account, was somewhere about 52*l.* for every 100*l.* capital stock created ; and in the following year more money was borrowed, in order to keep up the sinking fund, thereby enabling the commissioners to re-purchase a portion of that stock, at 30 per cent higher than what it was created at. During the period when 15,000,000*l.* were laid

out every year in the purchase of stock, the minister was obliged to borrow, by loan or otherwise, in addition to what was necessary for the service of the state,—a sum equal to the amount of the sinking fund, the ostensible purpose of which was, to enable him to keep faith with the public creditor, according to the pledge given: but it is clear, that if we have not a surplus revenue, it is impossible we can have an efficient sinking fund; and as to keeping faith with the public creditor, that is a mere farce, for it has been broken over and over again.

To borrow money, or to issue exchequer bills (which is the same thing as borrowing money) for the purpose of buying stock in the market, and afterwards converting those very bills into stock, (which must be done, sooner or later, if the present system be pursued) is not only, *not* the way to get out of debt, but it is a deception upon the credulity of the nation.

The principal argument used in support of the sinking fund, was, that it kept up the credit of the country!---it certainly has had the effect of keeping up a delusive system of credit, for which the people are now suffering; but that it has produced any substantial benefit, I take leave to deny:---the contrary has been demonstrably proved. The only persons who have derived any great advantage from it, are the stock jobbers, and certain great speculators, whose acuteness in the discernment of cause, and effect, in such matters, has enabled them to profit by the want of better knowledge, and more practical

experience, on the part of those ministers who have had the management of the financial affairs of the country for the last forty years. If we can obtain, by the adoption of a system of economy, and a consequent reduction of expenditure, a surplus revenue ; it would be better to apply such surplus to the extinction of the unfunded debt, than to purchase stock at 20 or 30 per cent above the price at which it was when created ; and leave the unfunded debt, hanging as a mill-stone about the neck of the nation.

The unfunded debt amounted, in 1818, to 66,772,000*l.* and on the 6th January 1820, to 48,408,323*l.* ; in 1822, to 41,477,790*l.* ; (the total charge for the funded and unfunded debt this year, was upwards of 32,000,000*l.*) and in 1828, to 34,772,000*l.* having been reduced to that amount by a funding of exchequer bills.

If at the end of the last war, a proper revision of our financial system had been entered upon, and a peace establishment adopted,\* more consistent with the circumstances of the country, and the loyalty and patriotism of the people ; we might have reduced the debt 100,000,000*l.* more, at the least. If that had

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\* The peace establishment of 1793, was but £6,000,000, and the interest of the debt £11,068,000—total expenditure, £17,068,000. For 1802, permanent taxation, deducting property tax, was £32,778,000, charge of debt, &c. £21,529,000,—surplus for peace establishment, £11,249,000. For 1819,

been accomplished, no fictitious means need be resorted to now, for the purpose of forcing up the price of stocks, in order to take from the 4 per cent. stockholders, a portion of their interest.

Although it may be strictly legal, according to a previous agreement, or understanding, for the government to avail itself of the first favourable opportunity, to reduce the 4 per cents. ; yet, when it is considered that the holders of that stock have already suffered a diminution of one-fifth of their interest, by the reduction which took place in 1822, of the 5 per cents. ; it is rather a hardship upon them to submit to a further reduction now, when nothing is done with the 3 per cents. :---it is but fair, that the 3 per cent. stockholders should be called upon to contribute likewise to the relief

peace establishment £19,000,000,—total expenditure, including the sinking fund, £67,707,088. For 1820, total expenditure £57,464,000. For 1823, peace establishment, £18,540,000—total expenditure, exclusive of the sinking fund, £49,852,000. For 1825, peace establishment £22,421,518—total expenditure £56,001,842. (By a statement of Mr. Canning in the House of Commons, 1827 it would appear that the total income for 1823, 4, 5, and 6, was £229,204,000—the total expenditure for the same period, exclusive of the sinking fund, £209,242,000) And for 1827, peace establishment £19,393,000—total expenditure £57,464,000. By a statement of the chancellor of the exchequer in the last session of parliament, it would appear, that the expenditure for 1828, was, exclusive of the sinking fund, £49,336,927.

of the country ; particularly as the price of that stock is higher in proportion, than the 5 per cents. were when the reduction took place. By the reduction of the 5 per cents. the saving to the country, on the one hand, was 1,554,795*l.* but on the other, there was an addition made to the debt, of nearly 8,000,000*l.* (that being the bonus) and an annual interest created on the stock so added of 320,000*l.* \_

The creation of terminable annuities would be a less objectionable plan, perhaps, to the holders of 4 per cent. stock, (were the country in a state to bear the annual increased charge, that would be incurred thereby); than reducing the interest to  $3\frac{1}{2}$  or 3 per cent.

In 1826, when the present lord Goderich was chancellor of the exchequer, I submitted to him a proposition, for creating 8,000,000*l.* of annuities, (*see appendix*) terminable at the period of the expiry of the long annuities. By that plan, 200,000,000*l.* of 3 per cent. stock, would be redeemed in 34 years; the annual charge created, (2,000,000*l.*) I proposed should be provided out of the sinking fund ; and I further proposed, that the remaining 3,000,000*l.* should be remitted to the people in taxes, and the sinking fund done away with altogether ; however, it was not thought then advisable to adopt it : but the present ministry seems to have considered the plan of annuities to be an eligible one, having revised the old system, so long pursued to the loss of the nation. The remission of three millions of taxes

would have been more advantageous, than applying the same in the purchase of stock.

I shall conclude my remarks upon this point, by quoting the opinion of lord Lauderdale, upon the benefits of a reduction of taxes, as expressed by his lordship in 1822, in his remarks upon the sinking fund. His lordship said, " It is with equal confidence submitted, that the man who can persuade parliament to act upon the system of immediately reducing taxes, to the amount of 5,000,000*l.* will have the merit of relieving a people, taxed to an unparalleled extent, from the necessity of paying thirty millions in the course of the next six years ;---of creating for his country, suffering under the want of a market, an additional demand for the produce of its industry, within the next six years, to the extent of thirty millions ; and at the end of that time, he will secure to the nation, the advantage of having 111,959,032*l.* less debt to pay off;---whilst in the mean time, there will be time to consider, whether a safe, rational, and practicable means of discharging the debt, can be devised."

As we have a sovereign upon the throne, who considers his own happiness identified with the welfare of his people, and who has already sanctioned measures, for relieving those religious disabilities, which have kept the people divided for so many years, and no doubt, he will sanction other measures, that may be calculated to improve the state of our foreign trade, and other branches of our national industry ;

as well likewise, a revision and alteration of the criminal laws, (many of which have been suffered to remain too long, a disgrace to the age we live in);--- and those that affect property, particularly the usury laws; and having a noble duke at the head of affairs, who has already proved himself worthy of the confidence of such a sovereign, and who has displayed a profound knowledge of the state of the country, and shewn a disposition also to reform the abuses of the state:---I trust therefore the legislature will not only investigate the general state of the country, but will direct its attention more particularly, to the state of the national debt; and adopt such measures regarding it, as shall be consistent with the alteration, and present state of the currency;---thereby give the nation some hopes of ultimate reduction.

Having in the foregoing pages, considered the state of the nation, in respect to its trade, and commerce; and having also considered the state of the national debt,—shewing its rapid increase since that pernicious measure, the restriction upon cash payments, was adopted, and the consequent redundancy of paper money---the baneful effects it has produced upon the people, and the trade and commerce of the country---the comparative and alarming increase of the poor's rates; with a view of proving to my readers, and the public at large, the necessity there is, for a change in that system, which has been pursued for the last forty years, and which has brought so much misery upon



the people :---insisting that unless principles of strict economy, and a better management of our national affairs be adopted, we cannot hope for any relief from taxation, or for any reduction of the national debt : ---pointing out the necessity and propriety of coming to an equitable arrangement with the public creditor : ---shewing also the justice of such an arrangement, from the circumstance of the debt having been contracted in a depreciated currency, at an usurious rate of interest, and the injustice of being compelled to pay in standard gold, debts contracted during the reign of paper-money, which was not, as compared with pure and standard coin, worth more than 15s. or 16s. the pound sterling.

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I shall now proceed to the consideration of the state of the circulating medium ; premising,---that it has been manifestly shown, both in and out of parliament, that there exists a great diversity of opinion, as regards the currency ; some contending for paper instead of gold ; others for gold and no paper, excepting the notes of the bank of England ; and in respect of withdrawing from circulation, the one and two pound notes, some are of opinion that it will be injurious to the internal trade of the country ; but however, all seem to agree that something must be done, and done substantially too, but how, or in what way is the question still.

It would appear by circumscribing our views, and

by limiting our observations to the operations of the bank of England, and those whose operations are carried on in its immediate vicinity, that we have too much money in the country ; but, if we extend them to the remote, and internal parts of the kingdom, it will then appear to demonstration, that we have not enough ; or if we have enough, that it is got into the hands of a very few :---that the latter is the case, I believe, amounts nearly to a truism ; for it is stated that the bank has at this present time, upwards of 9,000,000*l.* as deposits ; and besides, most of the bankers have also large sums in their hand sunemployed.

Money in a country, might aptly be compared to blood in the animal body ;---there might be the *necessary* quantum, and if it circulates properly through all its ramifications, the body will be healthy ; but if it becomes stagnant it will cause disease, and if proper remedies be not applied to correct and stimulate its uses, the body will prematurely expire ;---so it will be, comparatively, with the body politic, when the circulating medium becomes stagnant.

The currency question seems to be the most puzzling one, the legislature has had to grapple with for many years, and I fear it will be a very difficult one to settle, in time to have a clear stage for combating the question of renewing the bank charter. It being of a mixed nature, and encumbered with so many difficult points, which have been caused by the restriction bill, that no parallel can be found in the whole history of the country, from which a correct

data can be taken, as a guidance to the exercise of legislative wisdom, so that no collision of interests shall take place, by which the whole fabric may be thrown down.

The great amount of revenue collected annually, nearly sixty millions, (30,000,000*l.* of which it is true, is paid back in dividends, and interest, to the public creditors) requires a larger circulation of money than otherwise would be necessary for carrying on the trade and commerce of the country. But as the thirty millions paid in dividends, and interest, do not return and circulate among the people so quick as is necessary to meet the periodical demands of the tax-gatherer; extra issues of paper-money are required to supply the deficiency. But if some plan were adopted (such as that I have suggested to his grace the Duke of Wellington, *see appendix*) whereby the revenue could be brought into the exchequer with a less amount of money than is now required, those extra issues would, as a matter of course, be withdrawn; consequently it follows, that the less there is of paper-money in circulation, the more healthy will be the currency.

The next four years are likely to be the most eventful of our history, as regards trade and commerce, and the finances of the country. The effects of a restricted currency will be fully felt, and those two colossal establishments, the bank of England, and the East India Company, must be brought under the consideration of the legislature,---they have been

long under that of the public ; who now pretty well comprehend the effects produced upon trade, and commerce by the exercise of their exclusive privileges.

The extension of the power of the bank of England, by the establishment of branch banks, will, I am convinced, prove very injurious to the country, although not immediately felt. It will be constituting a very dangerous monopoly, as all the other banking establishments, will not be able to compete with them.

It would be better for the country, (if we are to have paper at all) that there should be competitors, with proper guarantees, against excessive issues ; as the quantum of supply would then be regulated by the demand ; besides, we should not then be subjected to the caprice of a corporate body. It must be considered highly culpable on the part of the legislature, and government, to give power to twenty-four men, bank directors, of determining what shall, or what shall not be the amount of accommodation requisite for carrying on the trade and commerce of the country.

It has been insisted upon by some, that country banks are injurious, inasmuch as they enable the farmers to keep back their corn and cattle, consequently keeping provisions at high prices ; if that be the case, which I very much doubt, free importations from Ireland and the continent would always prove a corrective ; independant of the stimulus that

would be given for greater productions, by bringing into cultivation the waste lands, and improving the culture of the poorer lands. For my part, I cannot see any reason why the cultivators of the soil should not have the means open to them, of similar accommodation that traders, manufacturers, and merchants, are in the habit of receiving, if they require it ; and require it they will, whilst the aristocracy, and the other lords of the soil, exact from them such high rents ; and the government insist on maintaining a metallic currency, without a corresponding reduction of taxation. From my own experience and observations, I generally find, that the farmers are as well content with moderate profits, as any class of traders ; and I am certain, that it will be much better for the public, and will tend more to an equalization in price of the necessaries of life, if the supply of corn and cattle, and other products rested with the producers ; because, in the first place, if there should be an increased demand at any time, that increase will cause a gradual and corresponding increase of supply ; and, in the second place, the public will not be subjected to a dependance upon avaricious monopolists ; ---who can at all times, obtain the means of holding back from the markets the necessary supply ; although at the same time, the farmers will be compelled to sell at ruinous prices, from the want of, what I shall call, *necessary* assistance from the banks. I must observe, that however lightly some people may treat the agriculturists, and consider them

as only secondary in the scale of legislative science ; I am fully convinced that, at least, the internal trade of the country must languish, and that distress will pervade the labouring poor, if the cultivators of the soil do not prosper. If farmers could not occasionally obtain temporary advances from country bankers, they frequently would be obliged to sell at ruinous prices, consequently *they*, as well as the public at large, would be more in the power of merciless monopolists, and subjected likewise to fluctuating markets, by no means beneficial to any other class of the people. Many very severe remarks have been unwittingly made of late years, upon the mode of living by the farmers, and their presumed extravagance ; and that they have been moving in a sphere far above that in which they ought to move ;---that they have given their daughters boarding-school educations,—that they are taught music, dancing, and other accomplishments ;—and that their sons are brought up as gentlemen ; and that they themselves take wine, &c. : but, admitting that they have thus emerged from their former state, ---have they (I would ask) outstepped the general march of society, or, according to the modern phrase, the “ march of intellect ?” do not shopkeepers, and other traders do the same ? and I would ask also, whether farmers are not, or ought not to be, as respectable in society as any other class ? do they not labour as hard for an independance, and are not their avocations as useful to the public weal, as

those who rail against them? If that class of people had remained in the ignorant state in which they were formerly, should we have seen these great improvements in husbandry, that have elevated the science of farming, and improved the breed of cattle, which have not only excited the admiration of surrounding nations, but the good effects of which are developed in all the parts of the known world, where colonization has been the object of British enterprize? From these considerations, I am of opinion, that, with proper guarantees, country banks are beneficial.

It might probably be inferred from these observations, when compared with what I have before stated, respecting the predilection which the land proprietors have shewn for the landed interest, in preference to the trading, and mercantile; that there is an inconsistency in my reasoning; but if my observations and reasonings, are calmly considered, there will not, I am persuaded, be found any inconsistency at all: for although I have stated that the aristocracy and the landed gentlemen generally, are more ready to support their own interests, than that of the commercial and trading:---I have never yet entertained, or expressed an opinion, that the landed interest should be altogether neglected; but rather, on the contrary, as there exists an inseparable affinity of the one to the other, that both should be supported; for if it goes ill with trade, land will suffer also, as both contribute to each other's support.

In considering more particularly the metallic part

of the currency, I must say, that there has not been an article of traffic, or commerce, so much mistaken, and so ill-judged of by the generality of men, in this country particularly, as that of gold or silver, in coin or in bullion.

It has been argued and insisted on, that gold and silver ought not to be allowed as commodities of merchandize, nor suffered to be carried out, when once brought into the kingdom; but those who entertain such notions, must be unacquainted with the true interests of their country, and with the causes of the immense wealth that has been brought into it.

All men, possessing the most extensive knowledge, in all trading countries, have defined and allowed gold and silver, in coin or bullion, to be mercantile articles, and have always contended for their free exportation.

All those nations which have the means of importing the precious metals, to answer other articles exported, are upon an equal footing with those countries that have mines in their possession; and barter their gold and silver for other commodities. In such countries gold and silver become articles of commerce, as well as any other, and are turned in trade with advantage; therefore more valuable in such a country, than where they are first produced; and in those countries where there is skill and industry to improve trade; added to the situation of such countries for trade, it will produce more real riches to the



people, than even the possession of gold, and silver mines. Nor can any quantity of it dug out of the mines, bear any proportion to that which may be made to arise from the labour of a trading and industrious people ; whose stock, though small at first, is ever increasing, and gaining additions ; so that the augmentation, arising upon that increase, makes a perpetual addition, augmenting with the stock. It might truly be said, that such a nation has no bounds to its wealth, nor proportion to the productions of those countries, where the people, relying on the produce of their mines, dig them for the industrious ; and they themselves become beggars, notwithstanding their first property of all the gold, and silver mines in the world.

The prohibition against the exportation of gold and silver from Spain, was evidently a bar to their industry ; and rendered that treasure, in a great measure, useless to the body of the people. If gold and silver had been allowed to be articles of trade, it would as a matter of course, have put them upon methods of turning them to more advantage ; whereas, while their hands were tied by their own laws, the gold and silver brought from thence, have been the very tools wherewith other nations have wrought, and by which they have gathered so much wealth. If this mistaken policy, had not at first diverted their thoughts from trade, they might have set up manufactures of their own, which would have prevented them being drained so much, by the manu-

factures of other countries ; and might have carried the whole commerce of the world before them.

I consider gold and silver to be of no other intrinsic value, than as a settled and constant exchange for all other commodities ; for in those countries where they are not used in that way, other substances, which to us would be of no value, are the settled medium of exchange, for all the commodities in those countries ;---as in Africa, where cowries, or blackamoors' teeth, formerly answered their purposes as money :---gold and silver being of no more use than any other article.

Gold and silver being in general use, in almost all parts of the world, as a medium of exchange ; and being thus subservient to trade ; it is the destruction of trade to take it from thence : and as to keeping it here unemployed, it is only a loss to the nation, for the use of it among us, serves to no other end, than the conveniently transacting of payments between parties, in their different dealings. The plenty of it will be rather a national loss ; as it will thereby enhance the price of our own goods to ourselves, and at the same time lessen the demand of foreigners ; consequently, bring ruin upon trade, and impoverish the people. For foreigners could not afford to buy our manufactures, at that enhanced value which an excess of money would raise them to ; therefore, unless money were permitted a freedom of going and coming, as people's occasions require, we should not be any richer than we are at present. No laws can

keep our money at home, for if we have not a well managed, and profitable trade, the money must, and will go, to pay the balance. If on the other hand, the balance of exports and imports be in our favour, the payments must be made to us in the precious metals ;---it cannot be paid in any thing else.

Gold and silver being allowed as articles of commerce, wherewith we purchase goods from some countries, for re-exportation to others, are thereby become beneficial articles in our trade ; and return a great balance in its own kind ; and also add greatly to our national stock ; but without such a freedom in trade, a superfluous plenty of money would be injurious to us. By a proper management of our trade, and the balance being on our side, we shall be gainers by sending out our money, to purchase such goods as may again be sold to other countries ; and we shall, by such an increase as this will give us, always be masters of the exchanges, all over the world ; for having no debts to pay abroad, and money to receive everywhere, the exchanges will always be in our favour ; therefore our gold and silver will give us a great advantage over other countries, upon every occasion, when emergencies arise ; and the returns will be made with great increase.

Having thus shewn, (though imperfectly) that it is for the interest of this country, to allow a free exportation of gold and silver, both in coin and in bullion, I shall next consider the causes of complaint of the scarcity of it.

Money is certainly necessary for carrying on trade, for when that fails, men cannot buy, and trade immediately stops ; for credit, which supplies that deficit, is only the expectation, and assurance, of money when it is demanded. Nevertheless, it is a great mistake to think, that money is the cause of a good, or bad trade : for it not money that so much influences trade, as it is trade that discovers the money,---it being the medium, whereby trade is the more conveniently managed, and not the spring from whence it arises. Thus, when trade is brisk, the money (the medium) is more in view, than when trade is dull ; and by changing hands oftener, an hundred pounds makes as great an appearance, as a sum ten times as large otherwise would : therefore it follows, that the appearance of money will be more or less, according to the extensiveness of our trade, and the more frequent, or less use of its medium, whereby it is carried on.

Our foreign commerce having, generally, given us a balance of profit, that balance has been, principally, paid to us in gold ; for since the discovery of the great gold mines in the Brazils, gold has been more plentiful throughout Europe, in proportion to silver, than formerly.

It must be noticed likewise, that money being requisite in trade, in proportion to the number of people, and the extensiveness of that trade ; and that a large trade, and the greater the number of people there are, there will be more money required to be

current among them, for their necessary expenses, as well as for the carrying on of their trade. And if we consider the great increase of population in this country, and the extensiveness of our manufactures, and other works carried on, the great demand of that circulation of money by these means, will make money appear scarcer, than when the number was less, and our trade not so large. And as our foreign commerce has not brought us such good returns, as formerly, and that the foreign loans raised in this country, have been the means of greatly lessening that stock of money, and bullion; which we had in this country, have contributed likewise to the apparent scarcity.

In order to show more clearly the value and use of money in trade, I shall state the estimated amount of the stock of England at different periods, from the year 1600,---the great and wonderful increase of which, must principally, if not wholly, be attributed to our trade.

It was computed that the stock of England (in which were comprehended, coined gold and silver, bullion, wrought plate, jewels, furniture, apparel, stock for trade and consumption, and the live stock in cattle, &c.) was in 1600 about 17,000,000*l.*; in 1630, 28,000,000*l.*; in 1660, 56,000,000*l.*; in 1688, 88,000,000*l.*; (in 1695, the annual income of the nation was computed at 42,500,000*l.*; taxes in the same year amounted to 5,000,000*l.*) and in 1813, 425,000,000*l.* If we deduct but one fourth, or 25 per cent., from

this amount, as the depreciation, the national stock will be now 318,750,000*l*. In Mr. George Webb Hall's report to the agricultural association, on the 1st of May, 1820, we find that he estimated the total profits of the soil alone at 99,840,608*l*.

The ostentation displayed by the people, has caused a great increase of plate and plated goods to be manufactured, which has been the means of converting bullion into those articles, which would otherwise, most probably, have been made into coin. There may not be the same objection, perhaps, to the converting of bullion into plate, as there is to the use of it in the manufacture of mock plate, and other spurious articles; but its being so converted, it becomes thereby unproductive, whereas if the same were made into coin, it would in all probability be circulating beneficially.

It has been affirmed, that there were more plate wrought for families, from 1666 to 1688, than had been fabricated in 200 years before; which is a proof that the nation was not only then prosperous in trade, but that the people were getting more refined in their tastes, and habits; and were becoming more luxurious in their mode of living.

The using of gold and silver bullion in the manufacture of spurious articles, there cannot be a doubt, is a waste of the precious metals; they being derived by the balance of profit, from the labour and industry of the people; and obtained through the medium of

our foreign trade, it necessarily becomes part of the nation's stock of wealth ; it is proper therefore that it should be preserved ; but the use of it in the manufacture of such articles, which resemble gold and silver plate, may be accounted as so much loss to the nation. The pride of the people is carried to such a pitch now-a-days, that almost every family of apparent respectability, has, if not plate, plated goods in their houses ; and it might be observed, that their sideboards are set out more with spurious articles than genuine ; and for the purpose of deceiving the eye, and making them appear as if they were really wealthy ; the manufacturer has contributed a little to their vanity ; by affixing marks to resemble the Goldsmith's Hall mark,---which the law requires to be stamped on standard gold and silver. If the nobility and gentry were to have real plate in their houses, instead of spurious articles,—that would lose very little by use, as to its intrinsic value, and would be at all times tangible property ; but plated goods are always inconvertible, and intrinsically valueless ; we should therefore endeavour rather to increase, than diminish our stock of wealth ; as the time may come when our foreign trade will not give us any profit at all, but may be so disadvantageous, as to cause the exchanges to be turned so much against us, that a very great drainage upon our stock of bullion, and coin, might be the consequence.

There are other circumstances to be considered also--the great distress among the manufacturing classes,---

the want of credit and confidence generally, among us, and the alteration in the circulating medium ; by the return to cash payments,--the large revenue that is collected, and the great demand for money by parishes, on account of the poor,---added to a declining trade, are additional causes of the scarcity ; or rather the little appearance of money.

Having alluded to the circumstance of foreign loans being raised in this country, I am led to consider, briefly, the effects they are likely to produce upon our national resources.—It is a subject that requires the serious consideration of government, and the legislature ; for if the people will, inconsiderately, lend their money to foreigners, to the injury of the nation at large ; the government ought to interfere and prevent such rash acts being committed. The want of honour and good faith on the part of foreign governments, and the impoverished state of those countries that require such aid, ought to be seriously considered, before we part with our money ; we had much better endeavour to find out new sources of commerce, for the employment of it ; or lend it to those of our own countrymen, who would employ it in trade, to the advantage and improvement of the great body of the people, than lend it to foreigners without any return.

As I have before observed, money is an useful (and I might add) a necessary article in trade and commerce ; and by the employment of it in that way, has been the means of the accumulation of



great wealth in this kingdom. If, by lending the surplus to foreign governments or states, in the absence of trade, they regularly paid us the interest, and gradually liquidated the debts so contracted; it would be the same to the nation, as a profitable and beneficial trade; but, unfortunately for us, there can be no dependence either upon the *faith*, or the *ability*, of those governments, or states, to do the one, or the other; and it is to be lamented that in the short period in which the experiment has been tried, we have already had the woful predictions of the more considerate and experienced men among us verified, and the sad effects are,---great distress and misery in those families, whose money has been so foolishly parted with; and this is not all, bankruptcies, and even suicides, have been committed in consequence of speculations in, and the want of the regular payment of the interest on foreign loans:---this was easily to be foreseen, had common reason and prudence been exercised.

If we part with our capital to foreigners, without getting reasonable returns for the use of it, we thereby not only prevent the beneficial employment of it at home, but we cause a check to be given to the increase of our national stock, and impair also, the resources of the country.

I believe I have shewn some reasonable causes for the apparent scarcity of money in trade, and shall therefore say but little more on this head; but merely remark,---that in consequence of the great fund

proprietors drawing, periodically, so much money from the industrious and trading portion of the people, in the shape of interest upon the national debt ; it is accumulating fast in the hands of a few individuals, whose occasions, or habits of life, do not require the expenditure of it, in an equal ratio, as compared to the amount so withdrawn ; it therefore becomes stagnant, and is placed in the hands of bankers, or in the bank of England, where it remains in a manner unused. The only circulation large sums, so accumulated have, is the occasionally changing of hands, from one to the other of great capitalists ; without producing any benefit to the nation whatever. This opinion is not formed hypothetically, for it is as demonstrable as that two and two make four. The bank books will shew, that the number of stock accounts have considerably *decreased* in the last few years, --the smaller ones having merged into the larger, for it appears that the total number of persons who received dividends, on the 5th January 1829, was only 275,839,---about 20,000 less than the number a few years ago. *The result of this accumulation will be, that the national debt, if continued in its present shape, will produce a revolution in the country ; for the fundholders will acquire the greater portion of all the lands in the kingdom ; and the bulk of the nation will be reduced to a state of pauperism.* ---It is in the nature of the debt itself, to produce these results. Is it reasonable to suppose, that

posterity, who will have had nothing to do with the incurring of the debt, will permit such an incubus to remain upon the country?

I shall now only add one more reason, to shew why money is withdrawn from circulation, and that is respecting the absentees, who have become residents in France, and other countries; and those who, in consequence of the cheapness of living, and the comparative cheapness of travelling in foreign countries, are induced to travel there for pleasure, instead of in their own country; which in every other respect, presents objects of gratification, not to be surpassed in any other.

The greater portion of these people derive their incomes, from the taxation of the people of England; they should therefore be compelled, in obedience to some law, (if they are not moved by the more irresistible impulse---a love for their own country) or be induced to return, by the government reducing the annual expenditure, and by taking off the assessed taxes, and causing a diminution of others; whereby rents, parochial rates, and the necessities of life, would be lowered; ---and spend their money among those who contribute to their support, and their extravagancies. Many millions of British money have been drawn away by these people, which have been spent abroad, to the improvement of the lands, and the

benefit of the trade of France, and other countries, where they have been for years residing.

A tax upon absentees has been suggested, but in what manner it can be levied, or how it can be justified, as applicable to all, is a matter that requires much consideration. It would be more desirable, that measures, other than coercive, should be resorted to, if possible, to induce the absentees to return.

In more particularly considering the state of the metallic currency, it must be observed, that as the re-coinage of our money, has brought it to nearly a due proportion of value, in comparison with that of other countries, with which we trade; and having set the coins, in the two species, as near the intrinsic value as may be; those fluctuations, which have taken place in former periods---of gold for silver, and silver for gold, which were proved to be very disadvantageous to this country, will be prevented.

As we have returned to cash payments, and having a tolerably wholesome currency; to preserve it, the government must do all in its power to lessen the country's expences, and reduce the taxation of the people; and likewise place the debt, and the finances of the country, upon a better footing; whereby, all apprehension of a return to a paper medium, and a restriction upon cash payments, (which have been the principal causes of all our embarrassments,) may be done away with. The bare suspicion of the neces-

sity for another restriction bill, keeps the people in a state of uncertainty, and prevents the restoration of that confidence, so necessary among the mercantile and trading classes ; and the landed and monied interests ; which is also essential to the peace, happiness and prosperity of the kingdom.

We find in former periods of the history of this country, that the distresses and difficulties of the times, induced the government to alter the denomination of value, of the money, with a view of removing those distresses and difficulties ; but the remedy generally proved more destructive than the disease ; for the people of other countries were upon the alert, and took advantage of those measures, and poured in upon, or drained us of our gold and silver ; as such alterations in our currency gave them an opportunity of doing.

The raising or lowering the value of money, has always raised or sunk the exchanges in proportion ; and other countries have always benefitted by such alterations, to the great loss, and disadvantage of this country.

Although the restriction of cash payments, was considered to be necessary at the time by the ministry, (though not, generally, by the people) under the circumstances in which the country was placed ; yet the sequel has proved, that the measure has been productive of a great deal of evil. Although an one pound note passed current among us for 20s. in silver, it produced the same effect upon our foreign

trade, as though we had raised the denomination of value of the current coin, or the guinea, from twenty-one, to twenty-seven shillings.

The foreign merchant, who sold us his commodities, or had to receive a balance from us, would not take in payment a one pound note of our paper, as twenty shillings ; but required to be paid in sterling gold or silver ; and according to the rate of exchange between the two countries, to which the respective parties belonged.

It must be observed, that as gold and silver are commodities, and have a value assigned to them, in exchange for other commodities ; so they have a proportionable value, in reference to one another ; or to bank notes, which were made by law, legal currency ; and this value being either settled or variable, fixes or alters the proportion the one bears to the other : it therefore follows, that it is always dangerous to tamper with the currency, or to lay a restraint upon the exportation of either gold or silver ; for, as Locke says, ‘ it is not any sort of coinage *does or can* keep your money here ; for that wholly depends upon the balance of your trade.’ It is therefore obvious, that it is our interest to remove as much as possible, all restraints and impositions upon trade, so that we may be able to compete with the foreigner, in the different markets of the world, whereby we may be enabled to keep the balance in our favour, and which is the only sure means of bringing in a sufficiency of gold and silver, for our

uses at home: although that very gold and silver may be sent out occasionally, in the course of that trade, the balance in the end cannot be paid to us in any thing else but gold or silver; for, as Locke further says, ‘ ’tis silver and gold, and not names, that pay debts, and purchase commodities:’—no one, I think, can deny the correctness of this reasoning.

As the population of the British Isles has considerably increased, and is now computed at 23,400,000, they require therefore a larger amount of currency, than when the population was not more than half that number. It will be found on examination, that trade, together with taxation, and the population, have increased in a greater ratio, than the influx of gold and silver; and the people having at various times experienced a deficiency, other expedients have been resorted to, as a medium, for settling the various transactions of the people, in their trade and dealings with each other; paper has therefore been found to be the most convenient, and at the same time, the least expensive substitute for coin; and as the money had, from a variety of causes, disappeared, large issues of paper were made to supply its place.

The large revenue collected annually, (between 50 and 60,000,000*l.*) added to the greatness of our trade, demands a larger amount of money than what we have got, in gold and silver, and also a more rapid circulation of it; but when trade is not brisk, the circulation will be proportionably slow,—paper then, in such cases, is an useful auxiliary; but in

order to keep the currency in a wholesome state, paper should at all times be convertible into the current coin ; for if not convertible at the will of the holder, it will have the effect of raising the price of provisions, and other necessaries : thereby prejudice trade to such a degree, that convulsions in the state, and a derangement of all the affairs of the nation, will be the consequence ; and also great distress will be brought upon the people.

It is impossible in the present state of the country, for its affairs to be carried on without paper money, of some sort or other ; for, as I have before observed, the great increase of population, and the large revenue to be collected, requires a much larger amount of circulating medium, than what we have in gold and silver ; and to prove that we have not a sufficiency of the precious metals for our purposes, it will be necessary to refer to a period of our history, when there was no paper money in circulation, and when the population was little more than one-third of its present number, and the taxes but as one to fifteen, compared with the present amount ;---to know what the people then required ; and what they had to carry on their affairs, without having recourse to paper money ; and also to subsequent periods, when the national debt, and the taxation, as well as the population, had considerably increased :---we then find, that the metallic currency was not sufficient for all the purposes of the nation, without the aid of paper.

The great evil of paper-money has been found to



exist in its inconvertibility, which were rendered so, by the acts of the legislature, and during the existence of those acts, the great bulk of the debt was incurred; but since they have been repealed, the inevitable consequence of the long restriction, (although as yet but partially developed), has been seriously felt, and will be felt still more, unless the taxation of the country be considerably reduced; for it will be impossible to continue to collect so large a revenue, and so large an amount of parochial rates, with a limited circulating medium.

In 1688, when there was no paper in circulation, no national debt, and but a very small revenue, the people required, and had got a gold and silver currency of 11,500,000*l.* In 1773 the currency had increased to 35,201,030*l.*: viz. of gold 26,000,000*l.*; of silver, 3,000,000*l.*; and of bank notes 6,201,030*l.* The late Earl of Liverpool estimated the amount of the circulation, in 1793, to be 45,000,000*l.*: viz. gold and silver 25,000,000*l.*; bank notes 10,000,000*l.*; and of other paper 10,000,000*l.* In 1797 the gold and silver coin amounted to 30,000,000*l.*; bank notes 11,408,826*l.*; and country notes to 7,000,000*l.* Total 48,408,826*l.* Immediately following the latter period, owing to the passing of the restriction act, it might be said that gold began to go rapidly out of circulation, and as to the silver currency, the country was never in a worse state. In 1805 we find that the amount of bank notes alone had increased to 18,397,880*l.*; in 1808 to 21,304,930*l.*; in 1816 to

27,304,930*l.*; and in 1817, the amount was further increased (by an advance to government of 4,000,000*l.*) to 31,000,000*l.* In 1819 of bank notes, there were in circulation 26,448,850*l.*; and country notes 16,500,000*l.*; in 1820 the amount of bank notes was reduced to 24,612,120*l.*, and country notes to 11,000,000*l.*: the total amount of the circulating medium for England, Scotland, and Ireland in that year was 58,000,000*l.*; in 1822 the amount of gold in circulation, was only 8,000,000*l.*, and the silver was increased to 7,000,000*l.*, and the amount of bank notes was further reduced, and amounted then to 18,326,430*l.*, and the country notes to 8,067,260*l.*: total 41,393,690*l.* The foreign loans and mining speculations, caused large exportations of gold, which reduced the amount in circulation, in 1824, to 6,000,000*l.*; (the silver coin appears to be the same as in 1822, viz. 7,000,000*l.*) the amount of bank notes was 20,293,362*l.*, and the country notes 10,604,172*l.*: total 43,897,498*l.*

It is important to state here, that the amount of the various sums of money paid in the year 1825 as deposits on foreign loans, mining and other speculations, was 17,582,773*l.* (the sums that had been already paid, amounted to 27,417,905*l.*) and the balance of foreign loans remaining, and to be paid, was 7,950,000*l.*

There were coined from the 1st of July, 1825, to the 31st of May, 1827, gold 10,968,693*l.*, and silver 1,000,595*l.* 12*s.*; and the amount of the circulating

medium in 1727, stood thus, viz.---gold 13,000,000*l.*, silver 8,000,000*l.* ; bank notes 22,000,000*l.* ; and country notes 7,000,000*l.* : total 50,000,000*l.* The amount of bank notes, under 5*l.* value, in circulation on the 1st of February, 1805, was 4,726,840*l.* ; and in April, 1810, 6,114,170*l.*, the whole of which are now, I believe, withdrawn ; and the provincial notes, of like denomination, went out of circulation also, by the operation of Mr. Peel's bill ; which took effect on the 5th of April, 1829 ; and were supposed to amount to between 4 and 5,000,000*l.*

The propriety of the measure for withdrawing those notes, has been much questioned, and a great deal of discussion has taken place in parliament, both pro, and con, before, and after passing the act ; and those persons who were more immediately interested in their circulation, have endeavoured to excite alarm throughout the country, as to the consequences ; but it is my firm belief ;—and that belief is grounded upon long, and practical experience, in the banking business, both in London and in the country, that although inconvenience may be felt for a short time for the want of a small currency, yet *that* inconvenience will be only temporary ; but on the contrary, that great good will ultimately be derived by the nation from the measure, I have no doubt---every poor man then who can save a pound, may put by a sovereign, instead of a ragged piece of paper, intrinsically worth nothing.

The system pursued by the issuers of those deno-

minations of paper-money, was of course to take out of circulation, in their respective circles, all the gold and silver coin ; thereby force into circulation their own paper to supply its place. The money thus withdrawn, was either kept by them to answer their larger notes, since they could be demanded payment of in the legal coin ; or were transmitted to the London bankers, or the Bank of England, where it remained locked up, and useless, as to the country at large. But as the small notes are now withdrawn ; the gold and silver must of necessity, return again into circulation ; this must appear evident to all who understand the question of the currency, or know any thing at all of the system of country banking.

Although many gentlemen, whose practical knowledge, and researches, have entitled them to great consideration and respect, for their opinions ; have argued contrary to this position : but knowing the fact, that they were personally interested in the issue of local paper, such argument produced no other effect upon my mind than surprize ; that men possessing so much talent and acquirements, and legislators too, could forego their public duty, and sacrifice principle also, for paltry lucre ; and endeavour to continue a system, that had already proved to be very injurious to the nation---a system that has produced no small mischief to their country.

The measures adopted by government, for giving to the people a wholesome currency, were necessary ;

but at the same time, they should have been accompanied with a large reduction of expenditure, and likewise larger reductions of taxation ; for until that takes place, we shall not experience much improvement in our affairs.

Can it be a matter of surprize, that we have experienced panics, and disorganization in our commercial and manufacturing concerns, when we consider the great fluctuations, and changes, that have taken place in the currency?

The foreign transactions of some great capitalists in this country, in loan matters, and other speculations ; have contributed, not a little, to the embarrassment of our national affairs ; as the quantity of gold and silver sent out, on account of those transactions, will prove to have been detrimental to the internal trade, and commerce of the country. The silver alone, exported from this country to the continent, in the year 1827, was 10,264,590 oz. and from January 5th to April 1828, 3,628,750 oz. and from April to July, supposed to be the same as from January to April ; making a total of 17,522,090 oz. exported in about eighteen months ; and if averaged at 5s. per oz. the value would be 4,405,522*l.* sterling. From the 11th of April to the 18th, this year, (1829) entries were made for exportation of the undermentioned quantities of gold and silver, to the following places ; viz. to Hamburgh, 24,000 oz. ; to Gibraltar, 300,000 oz. and to other places, 22,000 oz. and 1000 oz. of

foreign silver coin were for China ; making a total for exportation in one week, of 347,000 oz. These large exportations could not be on account of trade alone ; but must be on account of the foreign loans, or other speculative transactions inimical to trade.

The sending out of the country, the precious metals, either in coin or bullion, would not be of great consequence to the nation, (presuming that the individuals who export it, calculate upon a profitable return) provided we had a profitable trade—the balance of which must be paid us in the same kind ; therefore in due course it would again return ; but it is doubtful, whether upon the whole, our foreign trade gives us any profit at all, although our exports exceed the imports, the returns are known to be very small and precarious.

It may not be uninteresting to my readers, to have a statement of the annual coinage. I shall therefore insert here, a statement of the quantity, and value of the bullion made into coin, every year, from 1778 to 1797, when the restriction act was passed ; and from 1797 to the year 1810, and partially up to the year 1828 ; likewise the average coined from 1778 to 1810 : by which it will appear, that there were coined, in

	<i>lbs. weight.</i>	<i>Value sterling.</i>
1778—	7,500 . . . . .	£350,437 10 6
1779—	36,300 . . . . .	1,696,117 10 0
1780—	No returns	
1781—	18,755 . . . . .	876,940 12 6

	<i>lbs. weight.</i>	<i>Value sterling.</i>
1782—	14,940 .....	£698,074 7 6
1783—	4,860 .....	227,083 10 0
1784—	17,595 .....	822,126 7 6
1785—	53,250 .....	2,488,106 5 0
1786—	23,700 .....	1,107,382 10 0
1787—	60,973 .....	2,849,056 17 6
1788—	78,430 .....	3,664,174 10 0
1789—	32,760 .....	1,530,711 0 0
1790—	56,940 .....	2,660,531 10 0
1791—	52,575 .....	2,456,566 17 6
1792—	25,080 .....	1,171,863 0 0
1793—	58,800 .....	2,747,430 0 0
1794—	54,765 .....	2,258,894 12 6
1795—	10,560 .....	493,416 0 0
1796—	9,945 .....	464,680 2 6
1797*—	55,535 .....	2,000,297 5 0
1798—	58,179 .....	2,967,504 15 0 .

The imports for coinage in the following years, were,

<i>For the year</i>	<i>lbs. weight.</i>	<i>Value sterling.</i>
1799—	5,818.....	£449,961 15 0
1800—	6,258.....	489,877 2 6
1801—	14,103.....	673,002 0 0
1802—	— .....	437,068 18 6
1803—	12,839.....	596,444 12 6
1804—	16,627.....	718,396 17 6
1805—	— .....	54,615 15 0

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\* The amount coined in this and the following year, was nearly equal to any two preceding years; but in the subsequent year, and during the reign of paper money, the amount of coinage was comparatively small, and the paper had driven nearly the whole out of circulation; that which was left, was only the baser part.

	<i>lbs. weight.</i>	<i>Value sterling.</i>
1806	8,778.....	£405,105 15 0
1807	4,982.....	—
1808	3,009.....	371,744 2 0
1809	9,223.....	298,946 10 0
1810	4,203.....	—

Average coined, viz.:

Of twenty years, from 1778 to 1798	—	£1,611,011
Of ten years, from 1799 to 1809	—	381,370
Of six years, from 1799 to 1804	—	511,777
Of five years, from 1804 to 1809	—	226,082

In 1808 there were in circulation between 30 and 40,000,000*l.* of Bank of England and country notes; and in April 1810 the one and two pound notes alone of the Bank of England amounted to 6,114,170*l.*, and the coinage had decreased to 226,082*l.* From the 1st of July, 1825, to the 31st of May, 1827, the amount of gold coined was 10,968,693*l.*, and of silver 1,000,599*l.* 12*s.*

It is worthy of remark that, during the continuance of the restriction act, the value of landed property had increased more than double, which must be attributed to the great issue of paper. It appears by an extract from Mr. Gregory King's estimates of the state of the nation, in the year 1695, that the annual income of the nation was then but 42,500,000*l.*; the taxes 5,000,000*l.*; and the amount of coined gold and silver 7,500,000*l.* It appears also, by a statement of Mr. King, that the yearly produce of land up to 1700 was 13,000,000*l.*; by an estimate of Mr. Pitt, in 1796, it was



25,000,000l. ; by returns to property tax, in 1804, 38,000,000l. ; in 1815, 51,000,000l. ; and in 1820 the rental of land was computed at 54,000,000l. The peace establishment of 1793 amounted to only 6,000,000l., it is now upwards of 20,000,000l. On the 9th of June, 1802, the navy and army estimates were moved in the House of Commons, for the remainder of that year ; by which, it appears that the annual expenditure for 70,000 men, composed of 14,000 cavalry, and 50,000 infantry, including the guards, was 2,500,000l. The supplies voted for 1807-8 were---for the army and extraordinaries 16,000,000l. ; for the navy and extraordinaries 18,000,000l. ; for the ordnance and extraordinaries 3,000,000l. ; the civil list 2,000,000l. ; miscellaneous 3,000,000l. ; subsidies 5,000,000l. ; and the dividends and sinking fund 28,000,000l. : total 75,000,000l. The peace establishment of 1815, including the interest of the debt, was 56,001,824l. In 1825 the army estimates were 7,911,000l. ; the ordnance 1,754,000l. ; and the total expenditure for the year was 55,330,000l. The expenditure for the army last year, (1828) including the ordnance, was upwards of 8,000,000l. ; and the total expenditure upwards of 50,000,000l. In 1813 there were expended, besides all sums applicable to the reduction of the debt, 105,000,000l. ; in 1814, 106,000,000l. ; and in 1815, 92,135,000l. : making a total for three years of 303,135,000l. ! was it possible for so large an expenditure to be circulated, and so large an

amount of revenue, as must have been collected in the three years to have been accomplished ; if there had been no paper in circulation, or had there been no restriction bill in existence ?

The national debt in 1790 was but 228,000,000l. ; the taxes 16,800,000l. ; and the 'poors' rates 2,000,000l. In 1820 the debt had increased to 850,000,000l. ; the taxes to 60,000,000l. ; and the 'poors' rates to 8,000,000l. ! What, I would again ask, has produced all this great increase of the public burthens but the paper system, and how is it possible to get back through the great labyrinth, otherwise than by the aid of paper ; or by a total abandonment of the present system of finance, and an alteration of the state of the national debt ?

It is very evident that the ministers were not aware of the consequences that were likely to ensue, by a return to cash payments, unaccompanied by a corresponding reduction of the expenditure and taxation. But having committed the error, and not willing to forego the patronage and power, that must have been relinquished upon a large reduction of the government expenditure, and a reform of all the departments of the state, and being reluctant to acknowledge their ignorance of the subject of currency--they endeavoured to repair that error by allowing the Bank of England to open branch banks. By which an effectual check has been given to credit among the trading and agricultural classes of the community ; for no private banker dare risk his

paper against that of the Bank of England---neither dare the bank extend its issues to the amount of accommodation required by the trading, manufacturing, and agricultural interests, without producing a necessity for another restriction bill---thus the circulating medium will become so restricted as to occasion a greater, and a more alarming increase of the general distress, which now pervades all classes of the people---so that the very means resorted to for curing the evil, will tend to increase and perpetuate it. Some people are so infatuated with bank notes, that they imagine, that so long as the bank possess the power of issuing them, the country will be safe ; but the directors know full well, they dare not risk, even the possibility, of making such another application as was made in 1797.

That which I have before urged, I must again repeat,—namely, that if we are to have paper-money, it must at all times be convertible into the current coin ; and should any difficulty arise in the financial state of the country, the government must look to other expedients, rather than increasing the amount of the paper-money, whereby they would be compelled to have recourse again to a restriction bill.

There must be a reduction of the national expenditure, a reduction of taxation, and an arrangement with the public creditor ; before we can hope for much better times.

Although the trade of the country has apparently increased in the course of the last thirty years ; yet

when we look at the amount of exports and imports, and compare them with those of 1797, we shall then find that it has not increased in an equal ratio with the increase of the population,—of the taxation,—of the expenditure,—the national debt, and the poors' rates ; for whilst the taxes, the poors' rates, and the national debt have *quadrupled*, the trade of the country has not been doubled, as will appear by referring to the returns of the amount of exports and imports at the several periods.

The exports in 1797 amounted to 30,518,000*l.* and the imports 23,186,000*l.* ; and in 1828 the exports were, according to official value, 52,797,445*l.*, (but the real value supposed to be only 37,000,000*l.*) and the imports 43,467,747*l.*, shewing an increase of the exports of only about 22,000,000*l.*, upon the official value, but only about 6,500,000*l.* on the real value ; and on the imports of about 20,000,000*l.* It is therefore clear that we cannot go on upon the present system much longer, without some very serious disaster happening to the nation ; for the system itself will, in its own operations, bring total ruin upon the mass of the people ; and the whole of the debt, together with the greatest portion of all the land, and other property in the kingdom, will be in the hands of a very few. Can we expect that posterity will permit such a state of things to continued or will they not revolutionize the whole system, and wipe away that debt which they will have had nothing whatever to do in the contracting of?

It is very clear, that a great diversity of opinion exists, as to the *causes* of our present difficulties, and also, as to the *remedies* necessary to be applied. Some contend that it is owing to a superabundant population, the introduction of machinery, and over production, and some to the corn laws ; and there are others who come nearer the mark, and attribute the distress to the tampering with the currency, and the return to cash payments.

The remedies proposed by the first, are as absurd as their reasoning upon the causes ;---they contend that emigration, and the disuse of machinery in manufactures, will cure the existing evils. As to emigration, my opinion will be found in the early part of this work ; but upon the use of machinery and over production, I beg to say, that it is the most *irrational* argument that can be used ; for even by the aid of machinery, we cannot cope with the foreign manufacturer in the supply of the different markets ; much less could we, if every thing were to be done by manual labour alone : and as to over production ; I think it will be found upon enquiry, that the stock on hand is not so large now, as at any period since the war, when we were said to be in a flourishing condition ; neither is there that amount of capital employed in the different branches of our trade and commerce, and in agriculture as there was ten years ago. It must be apparent to the common observer, that there is not so much consumed, by the people now, of articles of necessity and

luxury, as there used to be, when compared with the increase of population ; for it may be observed, that in almost all families, a visible change has taken place---all are obliged to lessen their consumption ; but is it to be believed on that account, because we do not consume so much as we ought ; that there is an over production ? If it were possible for us to become all at once prosperous, we should soon find that the stock on hand, would not be adequate to the demand ; and it must be observed also, that when trade is brisk, there is generally a larger stock of manufactured goods of all descriptions, in the factories, and in the warehouses of merchants ; than there is, when trade is dull : and as there is comparatively but a small trade now, the stock on hand though small, may appear much too large. It is a fact also, which cannot be disputed, that in proportion to the accumulation of distress, has capital been withdrawn from trade, and employed in speculative concerns, or lent to foreign governments ;---the policy of which is very questionable,---and it being so withdrawn, there cannot be a doubt, but it has a tendency to increase that distress ; therefore I think it is manifest that it is not a redundant population, the use of machinery, or over production, that is the cause of our difficulties ; nor will emigration, the destruction of machinery, or consumption of the stock that is now on hand, restore us to a healthful state.

With respect to the corn laws, it is absurd to

suppose that their existence is the cause, or that their repeal will prove a panacea, for all the disorders of the state: notwithstanding, I cannot but admit, that it is essential that there should be as much freedom in the trade of corn as is consistent with the price of labour: for, if wages of labour are low, corn, and all other necessaries, ought to be low also; but on the other hand, if we have a good and brisk trade, the labourer will get better wages, consequently he can afford to give higher prices for his necessaries.

Corn, it might with propriety be said, is the standard of value in all agricultural countries; but it is not so in countries where the people depend upon manufactures and commerce; as is the case with England; although it is insisted on by some writers, that corn is the universal standard; I am of opinion that it cannot be so considered with reference to England. But as agriculture is an important branch of our national industry, it ought therefore to be protected; it becomes therefore a question of serious import, whether there should not be a small protecting duty.

It is not so important to know whether the causes of our distresses, are *immediate*, or *remote*; as it is to know *what are the causes*; and what measures ought to be resorted to for their removal, or to check the progress of their ruinous effects upon the national resources, and the morals of the people. If I were asked to state the *original* cause, I should go back

to 1797, and say, that the restriction bill, which was then passed, *to protect the Bank of England*, formed the ground work of all the evils we are now enduring : but it is not necessary to dilate upon that now ; I shall therefore proceed to show what are, in my judgment, the more immediate causes of our difficulties, and what are the remedies necessary to be applied.

The return to cash payments without a corresponding reduction of taxation, is one of the causes. The neglect of our foreign trade, and in not securing by commercial treaties, at the close of the late war, some of the advantages which we then enjoyed, and which we were fully entitled to hold,—is another. The pertinacious adherence to that false and extravagant system of government, by the Liverpool administration, is a third. The permitting the bank of England to extend their power, by establishing branch banks,—is a fourth ; by which a deadly blow has been given to confidence and the internal trade of the country. It was a sufficient check to inordinate issues of paper, when people were enabled to demand payment in gold : without placing in every nook in the country, a bank director, to pry into the affairs of all the trading, and manufacturing persons in the country ; and transmitting the same to their house of assembly in Threadneedle-street, where it will be turned into pounds shillings and pence, and the balance struck according to their own capricious views---thereby become the ascendant of the minis-



try, and also of the trade and commerce of the country. There is another cause which I must mention, and that is the great depreciation of property arising out of the state of the currency, and owing to the general want of confidence.---These are, according to my conception, the immediate causes of our difficulties, and *which are within* the control of the government of the country. There are others which have arisen out of the long war, and the great change that has taken place in the manners, and customs of the people of other countries, with which we trade, and *which are not within* the control of England. It might have been expected that when a general peace should return to Europe, that the trade would get more divided, and that other countries would set up manufactures; therefore England could not expect to maintain that monopoly which she enjoyed during the war; but she might have enjoyed her full share of that trade, had the government adopted strict economy at home, and reduced taxation commensurate with the alterations in the currency, and had likewise been more vigilant in protecting our interests in foreign commerce.

Now the question is, what is to be done, in order to bring the country again into a healthful state? The existence of the evils, is certain; but the remedies for the removal of them, not so certain. I shall therefore endeavour to shew, according to the best of my judgment, what measures are best to be

adopted, under the peculiar situation in which all classes are now placed, for relieving the country ; and to give an impetus, to the slumbering energies of the people.

First then, I propose a reduction of taxation, to the amount of five millions at the least ; by taking off the whole of the house and window duty, and some other of the assessed taxes, as well as some of the imposts upon our foreign trade.

In order to meet a reduction of taxes, the government must reduce the annual expenditure, and adopt a peace establishment, more consistent with the state of the country, and the loyalty of the people.

Take off the heavy duties upon colonial merchandise, and lessen the imposts upon other articles, which prove to be a bar to the extension of our commerce with other countries.

Encourage as much as possible, a trade with the emancipated provinces of Spanish America ; and admit the products of those countries, into English ports, in British, or native ships, at as low a rate of duty as possible, so that our colonies may not suffer.

Throw open the East India trade to all his majesty's subjects.

Allow corn to be imported at all times, upon paying a low protecting duty.

Deprive the bank of England of the power of establishing, or maintaining branch banks.

Allow joint-stock banking companies to be estab-

lished in any part of England, under certain regulations; but not allow such banks to issue any notes in London, or to issue any under the value of 5*l.*; nor permit them to issue any notes payable to bearer, or otherwise, until the whole of their capital be actually raised.

For whatever deficiency that may arise in the revenue (and not met by a reduction of expenditure), I propose a property tax, upon a graduated scale; but I am of opinion, that by the adoption of these propositions, and such other alterations in the system of finance, as I have submitted to government (*see appendix*), the stimulus that would thereby be given to trade and commerce, and the consequent improvement that would take place in the revenue, there would be no necessity for any such tax.

I have endeavoured to shew, in as concise a manner as I can, the causes of the distresses, and difficulties, that now oppress the trade and commerce of England; and which have caused so much misery to the people: and I have likewise endeavoured to point out some salutary remedies, in the hope that they may have that weight and consideration, with those who have the power of applying them, as I conceive they merit.

I must further observe, that there are wealth and resources enough in the country, to uphold its greatness and power, and to make all classes of the people comfortable, and happy; provided a proper arrange-

ment of the different interests were made, and a proper direction given to the energies of the people ; but unless that is done, and speedily *too*, a great convulsion in the country will be the inevitable result.

Although the legislature has, when the consideration of the distresses of the people have been urged; appointed committees, to investigate the causes of those distresses---yet those investigations have never produced results, whereby the true causes and effects, have been demonstrated ; or upon their reports, have remedies been applied for the removal of the disabilities : they have either not gone into the general state of the various interests, or they have suffered their own particular and individual interests, to bias them in their labours ; so that the several classes have been left to struggle with their difficulties, without even a prospect of any parliamentary aid.

It is important, in order to come to right conclusions, that all the interests of the state, should be considered separately, and collectively ; and also that the causes and the effects of the various collisions, should be ascertained. Such an examination of the national affairs, ought to be gone into immediately ; but I fear, if deferred for another year, an explosion will take place, which will develop the whole at once : then it will be too late to apply those solitary remedies, which if applied in time, might save the nation from a convulsion, which otherwise is certain to happen.

As the return to cash payments, necessarily tends to a reduction of the circulating medium; it is very desirable, that some method should be adopted, whereby the revenue could be brought into the exchequer, without withdrawing from circulation (as under the present system we are compelled to do) so large an amount of that medium; which must at all times be detrimental to the internal trade of the country; more particularly when it is considered, that there are nearly 30,000,000*l.* required annually, to pay the interest of the funded and unfunded debt, the greater portion of which, remains for a considerable time locked up in the bank of England, or in the hands of bankers;---consequently its return again into circulation is very slow, and must, of necessity, cramp the operations of manufacturers, and traders in general: the bankers having no other employment for it, than lending it to speculators in the funds; the effect of which is evidently, the giving a fictitious value to funded property---thereby leading the public, generally, to believe that the high prices of the funds are owing to legitimate, and substantial causes,---the injurious consequences of which, are felt in that reaction which naturally follows.

In a plan of finance, which I had the honour of submitting to government two years ago, I proposed a means, to prevent the withdrawing from circulation, so large an amount of

the circulating medium ; that the dividend warrants should be received in payment of the taxes, the customs, and excise duties ; and to make them available for that purpose, they should be issued to the public, one month before the usual time they are paid at the bank : by this plan, they would get into general circulation ; and it is reasonable to calculate, that the greater portion would find their way back to the bank, through the medium of the receivers general of taxes, the customs, and excise, and then be cancelled.

I have given this part of the subject, the most serious consideration, and I cannot see any possible objection to its being adopted. It would not be *creating paper money*, but rendering the dividend warrants into a sort of tallies, by which the dividends would be settled between the stockholders and the government, in a similar manner to that which the London bankers settle their daily accounts with each other, at their clearing house :---it would, in fact, be equal to an addition of nearly ten millions to the circulating medium of the country ;---thereby fill up that vacuum, which has been occasioned by the withdrawing from circulation so much of the local paper. I beg leave here, to refer my readers to the plan, which is added to this work as an *Appendix*, and where it is more fully detailed.

In the next session of parliament, I have no doubt attempts will be made for the repeal of Mr.

Peel's bill ; but I trust there will be virtue and power enough, in the Commons house, to resist effectually, any such attempts. To return again to a small note currency, would be the most unwise measure the legislature could adopt. The landed gentlemen will find it more conducive to their personal interests, and to the welfare of their country, in forcing the government to reduce the national expenditure, and to take off the assessed taxes, and others that bear heavily upon the industrious classes, and the trade of the country ; than by endeavouring to force upon the people again, a spurious currency :---they had better at once, lower the rents of their estates, than have them all thrown upon their hands, and their tenants become paupers : for where is the utility of having large rent-rolls, and no rents paid ?---Revision and economy are the means to be resorted to.

Whatever motives may be attributed to me, for publishing my thoughts upon the state of the country, and the severity of my remarks upon the administrations, which have had the management of its affairs for the last thirty years ; I beg to assure my readers, that I have not been actuated by any sinister or personal motive, but solely with a conscious feeling of doing good ; by placing in a prominent point of view, the great interests of the state,---the evils which have, by the mal-administration of the country's affairs, deteriorated, and brought them into jeopardy ;---and shewing also, that the greater por-

tion of our distresses and difficulties, may be traced to the restriction bill, which passed in 1797 ; during the existence of which, the paper system grew to that magnitude, which has nearly placed all things out of the controul of legislative power ; and has brought upon the country desolation and ruin.---I have likewise endeavoured to show, that the great expenditure of the government, has added greatly to our difficulties ; and that unless economical principles are speedily adopted, and a total change of system be pursued, the country will be lost beyond redemption. And we may be assured, that if the legislative authority, and ministerial power, are not exerted with the utmost diligence, and wisdom, we shall not only suffer the most profitable branches of our foreign trade to be encroached upon, but may possibly lose a great portion of it altogether : therefore, unless the government do immediately set about a reform, in all the departments of the state ; and lessen the heavy imposts upon trade ; and also take off those restrictions, which prevent an extension of commerce, particularly to the East Indies :---the strength and resources of the kingdom will be so impaired, that we shall not only weaken our own resources at home, but shall lose our reputation, and credit abroad.

It has therefore become our interest, and our duty also, to encourage and extend our foreign trade more than ever ; for, whatever part of it we neglect, or lose, other countries will take up,—thereby enrich themselves at the expense of England ; for it must



be admitted that it is owing, principally, to the enterprising spirit of Englishmen, that the general commerce of the world, has been so much extended. Having considered, generally, the state of the nation, as it has been, is now, and its future prospects, I do not deem it necessary to pursue the subject further at present. I shall therefore conclude with a few general remarks; hoping at the same time that my readers will duly appreciate my motives.

The present distressed state of the country must impress every one's mind, who feels any interest at all in its welfare, with the necessity of upholding all its great interests; and that it is the duty of all, to contribute in the best manner possible to the mitigation of those distresses, and privations, which we are all enduring.

In turning over the pages of the History of England, we find that the country has had its periods of adversity, as well as prosperity; and that the great vicissitudes which the people have experienced at various times, have arisen more by the misrule of those, who have had the governing of the national affairs; than by any external circumstances which have appeared in other countries, calculated to affect the trade and commerce, of this: although they have been the causes that have repeatedly involved England in many ruinous wars; yet notwithstanding, we have come out of those wars, more powerful than we were before; but it must be observed that the nation has had at the several pe-

riods alluded to abler statesmen than those who have directed the affairs of the state of late years :---men, who regarded the trade and commerce of the country, as the great principles to be upheld ; and which were the means that enriched the people, and gave strength, and power, to the nation, thereby caused us to be *respected*, as well as *feared*, abroad, by all other nations ; and also gave England that ascendancy in settling the affairs of Europe, whenever they became deranged ; and to whom the weaker powers looked for succour, and protection when attacked by the rapacity of kings, or despots.

England has been the only nation that could hold the balance of power in a comparative state of equilibrium,—although but a small portion of Europe, possessing, comparatively, but an unequal number of inhabitants, yet she has, by the great extension of her commerce,—the chivalrous and enterprising spirit of her population ; together with the constitutional, and liberal laws, which have governed the interests of the kingdom ; added to which,---and not the least in importance,---the great probity and honour in her dealings ; she has become the greatest nation in the world,---mistress of all the seas, her ships have wafted the commerce of the world from all shores, and poured into the lap of England, those ingots of gold ; which have not only enabled her to become rich and powerful ; but have likewise been the means of diffusing among other nations, the means of resisting those tyrants who have endeavoured at va-

rious times to enslave them ; and by her example, other nations, in remoter parts, have emerged from a state of bondage and barbarism ; and are now becoming as enlightened as any nation in Europe.

The patriotism and loyalty displayed by the people of England, whenever she has been attacked by foreign foes, or has been dissevered by civil dissensions, have been perverted by the king's ministers, and rendered subservient to their corrupt motives, in abridging the rights and constitutional liberties of the people ; whereby the country has been plunged into debt, and a system of corruption and extravagant expenditure has been carried on until the people have lost all their energies, and are become, as it were, incapable of any moral resistance.

The characteristic dignity, and the proverbial probity, and honour, of the English gentlemen and merchant ; have given place to meanness and chicanery ; ---the middling classes are becoming poor,---their substances are being consumed, by the continual drainage, to pay the interest of the debt, and to support the extravagant expenditure of the government, and the poors' rates. The mechanic, the handicraftsman, and the agricultural labourer, from the want of employ, are no longer ashamed to become burthensome to their parishes ; and having sunk to the lowest depths of degradation,—men and boys, of all ages, are now to be seen crowding the streets in a state of mendicity, or harnessed like cattle, (doing

parochial work, altogether unprofitable, if not useless) more like slaves than Englishmen, apparently insensible of the degraded state in which they are, and to which they have been brought, by the pertinacious adherence to a false and extravagant system of government, which has been introduced, and pursued by ministers, incapable of governing rightly; and who never could have remained in power long enough to inflict the people with so much misery, had they (the people) been fairly represented in parliament. In fact, the people generally, so far from possessing the power of uniting for the general good, dare not trust each other; confidence being wholly destroyed;---misery and crime stalk through the land, and the christian ministry, aided by the charitable and pious part of the community, can scarcely give a proper bias to the minds of the rising generation:---thus is England circumstanced at the present time.

If government does not immediately take some bold steps, to check the progress of those evils, which are destroying the very vitals of our national existence; and apply some salutary remedies; the country will soon be plunged into a state of confusion; from which it will not recover without experiencing all the horrors of intestine convulsions. Millions of starving beings will not quiescently linger out their miserable existence, without some desperate efforts being made to obtain the necessaries of life, and avenge themselves of the wrongs they have

endured. It is appalling to contemplate the consequences that must inevitably result from the outrages of an exasperated and oppressed people.

The means for remedying or at least ameliorating the state of the people, is still to be found in the country. The legislature and the government should therefore throw aside all party considerations, and abandon for a time, at least, that selfish policy, which, regardless of the general good, has been suffered to prevail, when the great interests of the state have been forced upon their consideration; and adopt a line of conduct that shall be satisfactory to the general wish of the nation; whereby the people may be led to expect some relief from the very great burthens that are oppressing them; and that their energies may not hereafter be uselessly exerted.

The resources of the country are ample; and with a consistent reform, of the commons house of parliament, so that the people can have a full, free, and unbiassed choice of their representatives,---that the ministers of the crown may be compelled, under a truly constitutional controul, to adopt a system of economy, and give a proper direction in the exercise of the powers, vested in them by the legislature, to the affairs of the country.---We may yet avert the storm that is gathering, and be again that great and powerful nation which has been heretofore the admiration of all the world. On the contrary, if the down-

fall of England be permitted, surrounding nations and all countries where British influence has contributed to the enlightening, to the establishing, or to the regaining their liberties, (notwithstanding there may be jealousies and prejudices existing at the present time regarding her commercial greatness) will mourn her fate, and consider it the greatest calamity that Providence has permitted to fall upon civilized nations.

## APPENDIX.

*Propositions relative to the Finances of England,  
submitted to the Government by me, in Novem-  
ber, 1827; in March, 1828; and again in  
February, 1829.*

FIRST.---I propose a reduction of taxation to the amount of four millions,---by taking off the whole of the house and window duties; and some other of the assessed taxes, that bear most oppressively upon the industrious classes; and also some of the imposts which bear heavily upon the manufactures, and commerce of the country.

SECOND.---A reduction of expenditure to the amount of four millions, viz.---

A reduction of the army estimates, of	£	<i>per Annum</i>
A reduction of the navy estimates, of. . . .		
A reduction of the ordnance estimates, of		
A reduction of the colonial expenditure		
By abolishing useless places, and by an equitable adjustment of salaries. . . .		
By reducing the allowance to the bank of England, for the management of the public debt . . . . .		100,000

---

£400,000,000

*5 1/2 1/2 1/2 1/2*

**THIRD.**---That the whole of the 3 per cent. consols, and reduced annuities, the  $3\frac{1}{2}$  per cents. and the 4 per cents, be consolidated into one general stock, to bear  $4\frac{1}{2}$  per cent. interest per annum.

**FOURTH.**---That the dividend warrants be delivered to the stockholders, one month before they are payable at the bank ; and that they be receivable by the collectors of taxes, and in the payment of customs, and excise duties.

**FIFTH.**---To create stock certificates, or debentures, to the amount of, and not exceeding, fifty millions ; to be delivered to all such persons as may be desirous of holding the same,---in various amounts, of 100*l.* 200*l.* 250*l.* 300*l.* 500*l.* and 1000*l.* each ;---and for every certificate so granted, the like amount of stock to be transferred in lieu thereof---the said certificate to be transferrable without assignment.

**SIXTH.**---The interest to be  $4\frac{1}{2}$  per cent. per annum, payable half-yearly ; and a certain number of the dividend warrants to be attached to the certificates, and payable to the bearer---the warrants to be so attached, that they might be cut off, without mutilating, or injuring the body of the certificate.

**SEVENTH.**---The said dividend warrants to be receivable by the collectors of taxes, and in the payment of customs and excise duties ; in any part of his majesty's dominions.

**EIGHTH.**---The sinking fund, for the future, to be applied in paying off the outstanding exchequer



bills; and after the whole of the unfunded debt is discharged, then to be applied in the reduction of the funded debt.

NINTH. That no notes under 5*l.* value, shall be allowed to be issued, either by the bank of England, or by any other persons acting as bankers, and that all notes shall be payable on demand, in the current coin of the realm. That all bankers who issue notes payable to bearer, shall keep open their banks, for the purpose of exchanging such notes, from nine o'clock in the morning until five in the afternoon, upon all days of business. That when it shall appear, upon the failure of [any banker, or banking establishment, that either of the partners have drawn out any sum of money, exceeding his, her, or their share of the profits, and the capital such partner or partners respectively has or have brought into the concern; and has or have appropriated the same to his, her, or their private uses; such person or persons so offending, shall be deemed guilty of felony.

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*Remarks on the foregoing Propositions.*

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FIRST PROPOSITION, *namely*, a reduction of taxes.---

By taking off the whole of the house and window duty, it would afford great relief to all persons occupying houses--do away with all vexatious assessments, surcharges, and distrainments upon the

goods of those who have no other means of paying; and will create general satisfaction, and confidence in the government. The loss to the revenue would not amount to the sum reduced, as those persons who can afford to pay the taxes, would in all probability, lay out the amount in other taxable articles; and in many cases, windows would be reopened, that are now closed; and new buildings would contain a greater number: consequently more timber, iron, lead, and glass would be consumed, which articles pay heavy duties.

SECOND. By reducing the amount of the standing army, it would be more congenial to the feelings of Englishmen---bringing it more within the spirit of the constitution: no danger would arise therefrom; for I verily believe, there is not one in ten thousand, throughout the country, but would, if occasion required, rally around the government to protect it; and suppress any tumult in the country:---the same may be said of the navy; in case any maritime power should make war upon us, or that the protection of the commerce of the country, should require additional force;---as the great naval means we possess, enables us to equip ships of war, with the greatest expedition. By a rigid examination into our colonial affairs, and by adopting a system of economy, the expenditure might be greatly diminished. By abolishing useless places, and by an equitable reduction of salaries, a considerable saving might be made. The

allowance to the bank of England for managing the public debt, may reasonably be reduced 100,000*l.* per annum. The calculation I have made in this respect is as follows :---there are from 200 to 230 clerks and porters, employed in the various stock offices ; but if a consolidation of all the stocks should take place, and stock certificates issued, as I have proposed, a much smaller number could transact the business (and indeed, without incurring the charge of being invidious, I presume to say, two-thirds of the number, would be sufficient to do all the business that is now done in the stock offices). I have taken for example, 20 clerks at 400*l.* per annum each ; 50 at 300*l.* 50 at 250*l.* 100 at 200*l.* and ten porters at 100*l.* a year each, making an aggregate amount of 56,500*l.* For stationery, coals, candles, &c. 15,000*l.* Allowance for rent, repairs, &c. 20,000*l.*---making a total expenditure of 91,500*l.* per annum :---this estimate I am certain is made considerably too high ; but this would leave the bank a net profit, of from 180 to 190,000*l.* per annum. From which I propose that 100,000*l.* be taken away.

**THIRD.**---By consolidating the whole of the 3 per cents., 3½ per cents., and 4 per cents., into one general stock, to bear interest of 4½ per cent. per annum ; you would reduce the nominal amount of the debt upwards of 225,000,000*l.* (the annual interest upon the debt would be precisely the same as it is now.) Besides the above advan-

tage; the public funds would always be more steady in price, which must be considered a desideratum; for by the price of the public funds, the interest arising upon all other property, in the kingdom is, in a great measure, regulated. The great disproportion, which one stock now bears to another, arises, in a great degree, from unnatural causes. The adept speculators will, while there are several stocks existing, manage to cause disproportionate prices, that they may pocket the differences. Can there be any other and sufficient reason for the same security bearing a different value in public estimation? Surely not. That inordinate speculation which has frequently caused such great fluctuations in the funds; and which deters so many from investing, would in a great measure be done away with. There would be a considerable diminution in the number of transfers; consequently the saving of the 100,000*l.* as I have proposed, in the charge for management, could with propriety be made. The advantage or disadvantage to the present stock holders, I have fully considered; and am prepared by calculations and other considerations, to show that their interests would be improved.

FOURTH.---By delivering to the stock holders the dividend warrant one month before they are payable, they would be enabled to pay their taxes with less inconvenience to themselves than at present; as they would answer the purposes of

cash or bank notes ; and by making the warrants receivable in the payment of taxes, customs, and excise duties, there would be required, in the collection of the revenue, less of the circulating medium ; consequently less of that medium would be withdrawn from circulation. It must be obvious that so large an amount withdrawn under the present system, must be very prejudicial to trade in general ; as it is a long time before it gets again into general circulation,---scarcely in time for its re-collection for the next dividends.

FIFTH, SIXTH, and SEVENTH.---By creating stock certificates, vast assistance would be given to trade, and commerce, by rendering available a portion of that capital, which is now locked up, and a mere dead weight.---This is deserving the most serious consideration of his majesty's government. To enter into a detail of *all* the advantages here, would be obviously unnecessary ; but some of them I shall beg leave to state. It would be of great utility to merchants and traders, in remote parts of the kingdom, in Ireland, the East and West Indies, and in *all* the colonies. It would also obviate the difficulties and delays in the present mode of raising money on funded property---it would be the means of drawing more real capital from foreign countries ; as by the extensive circulation they would have, and being also a convertible security, bearing interest, and from its easy transmissive quality, it would form an

useful circulating medium, particularly in the colonies. I propose that 50,000,000 should be the extent of the issue, unless it should afterwards be found beneficial to increase the amount.

**EIGHTH.**---By applying the sinking fund in paying off the unfunded debt, the advantages derived thereby would be greater than in expending the same in the purchase of stock ; as the gradual extinction of the unfunded debt, would greatly relieve ministers from the trammels which they have long been in, as regards the connection existing between the government and the bank of England. It would give them the ascendancy, in the consideration of the conditions upon which the bank charter should be renewed ; as by the time of the expiry of the current charter, the whole of the unfunded debt would be discharged. Besides, it would gradually take from the bank the power which they now possess, of extending, or contracting their paper issues to that degree, which has greatly contributed to the mercantile, and financial difficulties of the country : that body in fact, by having the power of controuling the circulating medium, are as it were, the sole arbiters of the value of all property in the kingdom,---a power that ought only to belong to the government, and then only to be exercised under the constitutional acts of the legislature.

**NINTH.**---To render paper money useful and valuable in a country, it should be kept under such

regulations, as to be upon a par with the metallic currency of that country. Paper should at all times be convertible into specie, with the greatest possible facility ; and to prevent as much as possible, apprehension arising in the public mind, of a depreciation in the value of paper, as compared with gold or silver, the government should have no floating debt. The alarm that has been raised regarding the withdrawing from circulation the 1*l.* and 2*l.* notes, has been caused in some measure, by those who benefit by the issue, and also by others, who are in a great measure unacquainted with the true bearings, and ramifications thereof. There never will be much metallic currency circulating in the interior of the country, whilst the 1*l.* and 2*l.* notes are in circulation :--- when they are withdrawn, gold and silver will supply their places immediately, and continue in circulation. As soon as gold appears in provincial places, it is caught up by the issuers of 1*l.* and 2*l.* notes ; and is either kept by them to answer the demands of their larger notes, or it is transmitted to the London bankers, or to the bank of England, where it remains unemployed. The great consternation and distress that have been felt by the tradespeople and the working classes in the country (upon the failure of a country bank), who are always the holders of the small notes, is a sufficient justification for the government to put an end to their circulation.

Great inconvenience is felt by travellers,

and others, owing to the country bankers not keeping open their banks, as the London bankers do, from 9 o'clock in the morning until 5 in the afternoon. I therefore suggest, that they shall be compelled to act upon the custom of London bankers.

The necessity for a law to punish fraudulent bankers, need not be enforced by any observations of mine; the cases of Fauntleroy, and Stephenson, afford sufficient reasons for some such law, as I have suggested in this proposition, to be passed.



*Park Terrace, Islington, Nov. 27, 1827.*

Sir,

If these propositions I have here made, should be adopted; we shall then have a basis, upon which all persons may enter into engagements, with some degree of certainty, and confidence; and the value of all existing contracts and bargains may be estimated by an unfluctuating standard.---A new spirit would be diffused among the mercantile, trading, and agricultural communities; people would again return to rational and productive enterprize, capital would circulate; instead of being, as it is at present, stagnant--the revenue would improve---the standard of prosperity, would again be unfurled---and the people would become happy and prosperous under the wisest, and best formed administration this country has had for a long series of years.

I have the honour to be, sir,

Your very obedient humble servant,

JAMES THICK.

*To the Rt. Hon. J. C. Herries,  
Chancellor of the Exchequer, &c.*



ANSWER.

*Downing Street, 17th Dec. 1827.*

Sir,

I am directed by the chancellor of the exchequer, to acknowledge the receipt of your letter, transmitting for his consideration certain propositions of finance. He desires me at the same time, to thank you for the trouble you have taken, in submitting to him your views upon that subject.

I am, Sir,

Your obedient humble servant.

A. G. SPEARMAN.

*J. Thick, Esq.**16, Park Terrace, Islington.*

—o—

*To the Most Noble the Marquis of Lansdowne.*

My lord marquis,

I take the liberty of enclosing for your lordship's perusal, and consideration, a copy of a letter, and propositions of finance; which I have done myself the honour of addressing to the right honourable the Chancellor of the Exchequer; conceiving that, if those propositions were adopted, great benefits would arise in respect to the financial operations of the country; by placing them upon a basis, that would prove of beneficial importance to the country at large. Being impressed with a deep sense of the high importance of your lordship's transcendent abilities, in matters of finance, I presume will be an excuse for me, in obtruding myself upon your lordship's attention, on this important subject.

I have the honour to be, my lord marquis,

Your lordship's most obedient humble servant,

JAMES THICK.

*Park Terrace, Islington, Nov. 27, 1827.*

## ANSWER.

*Whitchall, Nov. 29th 1827.*

Lord Lansdowne begs to thank Mr. Thick, for the copy which he has sent him of his communication to the chancellor of the exchequer, on the subject of finance. If Mr. Thick wishes the paper to be returned, Lord Lansdowne will send it to him as soon as he has perused it.

*J. Thick, Esq.*

*Park Terrace, Islington.*

—o—

*To the Rt. Hon. Lord Viscount Goderich.*

My lord,

I presume to lay before your lordship a copy of a letter and propositions of finance, which I have done myself the honour of addressing to the right honourable the Chancellor of the Exchequer, in respect to the financial operations of the country; which that right honourable gentleman has the immediate charge of. Being impressed with a deep sense of the great importance of the subject, and of the benefits, the country would derive from the adoption of those propositions; and knowing also the high estimation in which your lordship's abilities, in matters of finance particularly, are held; I presume to offer no other apology for obtruding myself upon your lordship's notice on the present occasion.

I have the honour to be, my lord,

Your lordship's most obedient humble servant,

**JAMES THICK.**

*Park Terrace, Islington, Nov. 27, 1827.*

## ANSWER.

*Downing Street, Dec. 11th, 1827.*

Sir,

I am directed by Lord Goderich to acknowledge the receipt of your two letters; one containing a plan of finance, the other your note of the 8th inst.

I have the honour to be, Sir,

Your obedient servant,

B. S. BALFOUR.

*J. Thick, Esq.*

*Park Terrace, Islington.*

—o—

*To the Rt. Hon. Henry Golbourn, Chancellor of  
the Exchequer.*

Sir,

This is an epoch in the history of this country, that affords you an opportunity of doing an essential service to the nation; by which you will exalt your own character; and place yourself upon an eminence in public estimation, that no chancellor of his majesty's exchequer, has yet attained. This country, sir, is in a very critical situation, and is admitted to be so by all parties, particularly as regards the state of our financial affairs; and it is only by the adoption of some bold, and energetic measures, that we can hope for more propitious times. It belongs to you, sir, in your official capacity, to place our financial affairs upon that basis, which alone can give to the people, some substantial grounds of hope, of a speedy return of that prosperity which the people once enjoyed; and which has been held out to them ever since the termination of that long and disastrous war, which this country carried on not

only to preserve the high station we had attained among the nations of the world ; but in many critical periods of that war, it would seem we were contending even for our existence as a powerful nation. The long continued and apparently increasing difficulties, which the government and the people have to contend with, have no doubt induced many persons of better capacity than I possess, to consider the causes, the extent, and the consequences likely to result therefrom ; and who have devised, and suggested various means, whereby many of those difficulties could be removed, and others rendered less onerous ; indeed it appears to me, sir, to be the duty of every one, who is at all acquainted with financial matters, the agriculture, trade, and commerce of the country, to lend a helping hand, in these times of peril and necessity. It was upon this view of the case that I was induced in November last to submit to the then chancellor of the exchequer, a plan of finance, the adoption of which would, in my humble judgment, improve that branch of our national affairs ; and place them and the currency upon such an intelligible basis, that all, who are interested in the welfare of their country, may understand them. I shall take leave to enclose a copy of that plan to you, Sir, in the hope, that a part of it at least, may be considered deserving your serious consideration. That the resources of the country are great, and ample, no one I think will attempt to deny ; and yet notwithstanding, great distress prevails throughout the country, and all classes seem to be paralyzed. This state of things must surely arise in a great degree, from the deranged state of the civil polity of the country. If therefore a basis were given to our financial system, and an immutable standard to our currency ; together with the adoption of economical principles in all the departments of the state ; we might

expect halcyon days would again return to the people, and a great improvement in the revenue would consequently take place; from which we might entertain some pleasing hopes of lightening the very great burthen, the national debt, which, I am afraid we must of necessity leave to our posterity to get rid of.

As regards the currency, some improvements have unquestionably taken place, since the termination of the war; but amongst them, I certainly do not reckon the extension of the monopoly of the bank of England, in the establishment of their branch banks, to be one of these improvements, for by the *extraordinary power* that body will thereby possess in a few years, will enable the directors to control the whole pecuniary concerns of the country; and at any time by merely penning in their parlour either of these two words; 'contract' or 'extend,' they will be enabled to alter the value of all property in the kingdom; ---Can this be right in a commercial country like this?

In respect to the sinking fund, as it is at present constituted and applied; it is so well understood, and so much has been said of it elsewhere, that it is needless for me to touch upon it here: it suffices to say, that to issue exchequer bills for the purpose of buying stock; and afterwards converting those very bills into stock, (which must be the case sooner or later, if the present system be pursued) is not the way to get out of debt. Any one, sir, who frequents the Royal Exchange daily, or has intercourse with the trading, and commercial part of the community, must witness the woful effects of poverty in the dejected appearance, and the downcast looks of all who have fallen under the system; and must also impress them with *the necessity of a change of that system*, which has nearly annihilated the best part of the community. I beg to state, sir, that it must be considered of paramount ne-

cessity, after the very long and arduous struggle this country has had to make, and the great, and appalling difficulties, it has to surmount; that some sound principles of legislation should be adopted, particularly as regards the national debt; and the currency; whereby the interests of all classes of the community, may be placed upon such a basis, that the solidity of our means, may for the future, be rendered less susceptible of change, and derangement. The national debt and the finances seem to be the pivots, upon which all the machinery of the state turns; and upon the security of which, the happiness of the people mainly depends.

Every country, like individuals, has its periods---its infancy, maturity, and decline. Many people think, judging analogically, that this country has been at its zenith, and that it is now on its decline: but however I am not one of those who despair of its reviving prosperity---considering its immense wealth, and also its vast powers, both moral and physical,---I am fully convinced that this nation is yet capable, by a wise and judicious administration of its resources, of upholding its greatness; which has been, and I trust ever will be, the admiration of the world.

From my various avocations, I have had opportunities of acquiring a knowledge of different branches of the trade, commerce, and agriculture of the country; and likewise from my long experience in money matters, and strict attention to the various ramifications thereof, I have been enabled to appreciate the importance of them all, and the effects that are likely to arise from a scarcity or superfluity of money. I trust therefore I shall not be considered too presumptuous, in offering for your consideration the accompanying plan;---being impressed with the conviction, that some such principles as I have there

suggested, should be adopted ; I do not, therefore, deem it expedient to trouble you with any arguments to prove its feasibility ; but beg to state, that if any objection, or if any question should arise upon any part of it, I am prepared, and shall be ready to give you the fullest explanation to.

I have the honour to be, sir,

Your very obedient humble servant,

JAMES THICK.

*Park Terrace, Islington, March 5, 1828.*

ANSWER.

*Downing Street, 6th May, 1828.*

Sir,

I am directed by Mr. Golburn to acknowledge the receipt of your letter, and to thank you for the trouble you have taken in communicating your plan of finance.

I am, Sir,

Your obedient servant,

EDWARD WALPOLE.

*Mr. Thick,*

*Park Terrace, Islington.*

—o—

*To His Grace the Duke of Wellington.*

My lord duke,

In humbly obtruding myself upon your grace's attention, at this eventful period, (when the most important of all measures that have engaged the government of England, since the glorious revolution, must require the whole of the energies of your great mind) might be attributed to a want of true respect towards the high station which your grace so transcendantly fills ; but as the subject is next in importance to the one alluded to ; and which must again occupy the serious consideration of the legislature, I trust that this circumstance alone, will be allowed

as an excuse for submitting to your grace for consideration, a plan of finance; which, I humbly conceive, will materially improve that important branch of the government affairs.

My lord duke, many schemes have, at various times, been proposed for the better regulation of our financial system, the trade, commerce, and agriculture of the country, in order to make the various interests harmonize; but no plan has, as yet, been acted upon, that can fully accomplish an object so desirable. With the greatest submission, therefore, I entreat your grace's attention to the enclosed; and particularly to the 3rd, 5th, and 8th propositions, and also to the remarks I have made by way of of explanation thereof; as they are calculated to affect (should they be adopted) a very important change in the state of the funded debt of the country; and likewise in the state of the currency. Your grace will perceive, by the adoption of the 3rd proposition, that the nominal amount of the debt will, immediately, be reduced upwards of £225,000,000. By the adoption of the 5th, a portion of the debt will be rendered available to trade, and commerce, in all parts of his majesty's dominions, and will besides form a very wholesome addition to the circulating medium of the country. And by the adoption of the 8th proposition, a more effective reduction of the debt will be accomplished, than by purchasing stock in the market; and will also be the means of keeping the funds more steady in price; besides other advantages. If these propositions, I have the honour of submitting to your grace, should be carried into effect, I flatter myself we shall then have a basis upon which all persons may enter into contracts and engagements with some degree of certainty, and confidence, besides having an unfluctuating standard. A new spirit would be diffused throughout the whole mer-



cantile, trading, and agricultural communities; people would again return to rational and productive enterprize; and capital would circulate, instead of being locked up, as it is at present, whereby it has become unproductive. Should your grace require further explanation, I beg to state, I am fully prepared to give it.

I have the honour to be, my lord duke,  
Your grace's most obedient humble servant,

JAMES THICK.

16, *Park Terrace, Islington, Feb. 20, 1829.*

ANSWER.

*London, Feb. 21 1827.*

The duke of Wellington presents his compliments to Mr. Thick. The duke has had the honor of receiving his letter.

*Mr. J. Thick,*  
*Park Terrace, Islington.*

NOTE.---The following calculation shows to what extent the stock holders would be affected by the foregoing plan, (the calculation was made when the prices of stocks were as quoted.) Although it might be considered a hardship upon the 3 per cent. stock holders, yet, when we consider the necessity of an equitable adjustment, and the stability which would be given to public securities, by the adoption of the plan; their situation would be improved, rather than deteriorated; and the nation would be greatly benefitted---inasmuch, as the debt would be

less than 600,000,000*l.* instead of between 8 and 900,000,000*l.* and the credit of the country placed upon a firmer basis :---

To receive 100*l.*  $4\frac{1}{2}$  per cent. stock, there must be transferred 150*l.* consols, or reduced annuities 128*l.* 11 5*d.*  $3\frac{1}{2}$  per cents. ; or 112*l.* 10*s.* of 4 per cents. The value in money of 150*l.* consols, or reduced, at 87, will be 130*l.* 10*s.* The value in money of 128*l.* 11. 5*d.*  $3\frac{1}{2}$  per cents. at 93, will be 119*l.* 11*s.* 5*d.* The value in money of 112*l.* 10*s.* 4 per cents. at 102, will be 114*l.* 15*s.* The value in money of 100*l.*  $4\frac{1}{2}$  per cent. stock (on the supposition that it would only fetch  $114\frac{3}{4}$ , being calculated at the rate of 102, the price of 4 per cent. stock), would be 114*l.* 15*s.* ; therefore the presumed money loss, the holders of stock would sustain by the exchange (and that is supposing they were obliged to sell their new stock, and that it should not bear a higher price than  $114\frac{3}{4}$  per cent.) would be 15*l.* 15*s.* on 150*l.* 3 per cent stock, 4*l.* 16 5*d.* on 128*l.* 11 5*d.* of  $3\frac{1}{2}$  per cent stock ; and on 112*l.* 10*s.* 4 per cent. stock, nil. But the true proportion one stock ought to bear to the other, (taking the price of 3 per cents. at 87 as the criterion), is,  $3\frac{1}{2}$  per cents.  $101\frac{1}{2}$ —4 per cents. 116, and  $4\frac{1}{2}$  per cents.  $130\frac{1}{2}$  It is therefore fair to presume, that the  $4\frac{1}{2}$  per cent. stock would fetch at least 120 ; consequently the situation of the several stockholders would be thus :---the 3 per cent. holder would exchange 150*l.* 3 per cents. worth at 87, 130*l.* 10*s.*---the  $3\frac{1}{2}$  per cent stockholder would exchange 128*l.* 11 5*d.*  $3\frac{1}{2}$  per cents. worth at

101 $\frac{1}{2}$ , 130l. 10s.---and the 4 per cent. holder would exchange 112l. 10s. 4 per cents, worth at 116, 130l. 10s.---for (each) 100l. 4 $\frac{1}{2}$  per cent. stock, worth at 120, 120l. : therefore, according to this scale, they will all be upon an equality.

As a security to the fundholder, I recommend that a pledge be given, that no further alteration shall take place in the funded debt, for the term of ten years. But that the government reserve to itself the right of paying off any portion of the debt at par, after the expiration of that period.

The following statement shows the rate per cent. interest money would produce, taking the different stocks at the following prices, viz.---for 3 per cents. at 87---3l. 8 11*d.* for 3 $\frac{1}{2}$  per cents. at 93---3l. 15 3*d.* for 4 per cents. at 102---3l. 18 5*d.* for 4 $\frac{1}{2}$  per cents. at 114 $\frac{3}{4}$ ---3l. 18 5*d.*

But the true proportion one stock ought to bear to another, in order to produce the same rate of interest is, 3 per cents. 87---3 $\frac{1}{2}$  per cents. 101 $\frac{1}{2}$ ---4 per cents. 116---4 $\frac{1}{2}$  per cents. 130 $\frac{1}{2}$ . Stock purchased at either of these prices, will give 3l. 8 11*d.* per cent. interest.

The following is a plan for creating eight millions of annuities, submitted to the chancellor of the exchequer, in March, 1826.

*To the Rt. Hon. the Chancellor of the Exchequer.*

*Park Terrace, Islington, March 3, 1826.*

Sir,

In the present critical state of affairs, it behoves every one, who can suggest any plan that will tend to lighten the oppressive burthens which the various classes of society are suffering under, or that can in any degree operate so as to remedy the evils that at present exist, to propose it to those who have the power to carry the same into effect.

I shall therefore, without further preface, or apology, suggest to you, sir, a plan that will in my humble opinion (if carried into effect) materially operate in restoring that confidence, which is absolutely necessary, in order that the commercial, and manufacturing interests of the country may be brought again into a state of prosperity.

In proposing my plan to you, sir, I hope I shall not be deemed presumptuous, having had more than twenty years experience in the system of London, and country banking; and likewise extensive practice and dealings in the public funds of Great Britain, as a broker, and otherwise, and having also devoted a great deal of time and attention to the consideration of the various systems of finance, pursued by yourself, and your predecessors in office.

As it is understood to be your intention to propose, on Monday next, to parliament, your finance plans for the year; I deem it necessary to communicate to you immediately, my proposition.

Therefore, without further comment, I propose that

there be created eight millions of annuities, to expire with the long annuities in 1860---by a voluntary transfer of 3 per cent. consolidated, or reduced annuities; to take as a [data the 3 per cents. at 80, and the long annuities at twenty years purchase.

To raise eight millions of annuities, by a transfer of 3 per cent. consolidated, or reduced annuities, would require £200,000,000 of stock, on which the annual interest payable, is £6,000,000 sterling; thereby the public would lose two millions sterling per annum for thirty-four years, but at the end of that period, there would be extinguished £200,000,000 of the national debt.

Now suppose that the additional £2,000,000 which the public would have to pay annually for 34 years, by a creation of eight millions of annuities, should be laid out by the commissioners for the redemption of the national debt in the purchase of 3 per cent. stock; taking the average price at 80, and adding likewise the compound interest arising thereon, the amount of stock bought up would be £91,482,413 : 12 : 11; but by the annuities, so proposed to be created, there would be redeemed in the same period £200,000,000; being £108,517,586 : 7 : 1 more, than by the operation of the sinking fund, to the extent of two millions.

Now, as [to the effect such a measure would produce upon the finances of the country, and the general interests of the people---In the first place, there being a sinking fund of five millions established by parliament; that fund of course would be reduced to three millions, by the abstraction of the 2 millions to pay to the annuitants. I would propose that the said three millions should be remitted to the people in taxes, and do away with the sinking fund altogether. If it is continued upon the present plan, the five millions, with its compound interest, regularly laid

out in the purchase of 3 per cent stock, at the average price of 80 per cent., would redeem in 34 years only £228,704,032 : 12 : 3 $\frac{1}{2}$  of stock, being only an excess of £28,704,033 : 12 : 3 $\frac{1}{2}$  over and above what would fall in by a creation of eight millions of annuities. I contend, therefore, that a remission of taxes to the amount of £3,000,000, and by paying to the fund holders two millions more annually, would produce very great and beneficial effects upon the finances of the country : inasmuch as the annuitants would have one fourth more additional income, and probably would spend 25 per cent. more in articles of necessity, and luxury : thereby add to the revenue of the state. A remission of £3,000,000 of taxes would afford great relief to all classes of the community, give general satisfaction and inspire confidence. I am fully convinced, from the observations I have made during many years experience in stock business, that the purchasing of stock by the commissioners, has not, nor does it tend to keep up the price of stocks, or uphold the national credit.

As to the immediate effect that would be produced upon the price of stocks, by the proposal of such a measure--- that I have fully considered, and am prepared to show, that no serious depression (if any) would take place, but if a depression should be occasioned, it would be but temporary.

There would, probably, be many conjectural opinions hazarded as to its feasibility ; and its effects upon the commercial, manufacturing, and agricultural interests, (upon the prosperity of these several interests, it must be admitted, depends the security and stability of the funded interest) and various objections may be started as to the policy of such a measure at the present juncture : in answer, I beg to say, I have maturely considered all probable objections, and am prepared to combat them.

It would, perhaps, be obtruding too much, sir, upon your time and attention, to state all the views I have taken, as to the several bearings such a measure might be supposed to have upon the different interests of the country ; I shall therefore reserve all those points for future explanation, should it be required. Trusting this communication will be deemed worthy your serious attention, at this very critical period of distress.

I have the honour to be, sir,

Your very obedient humble servant,

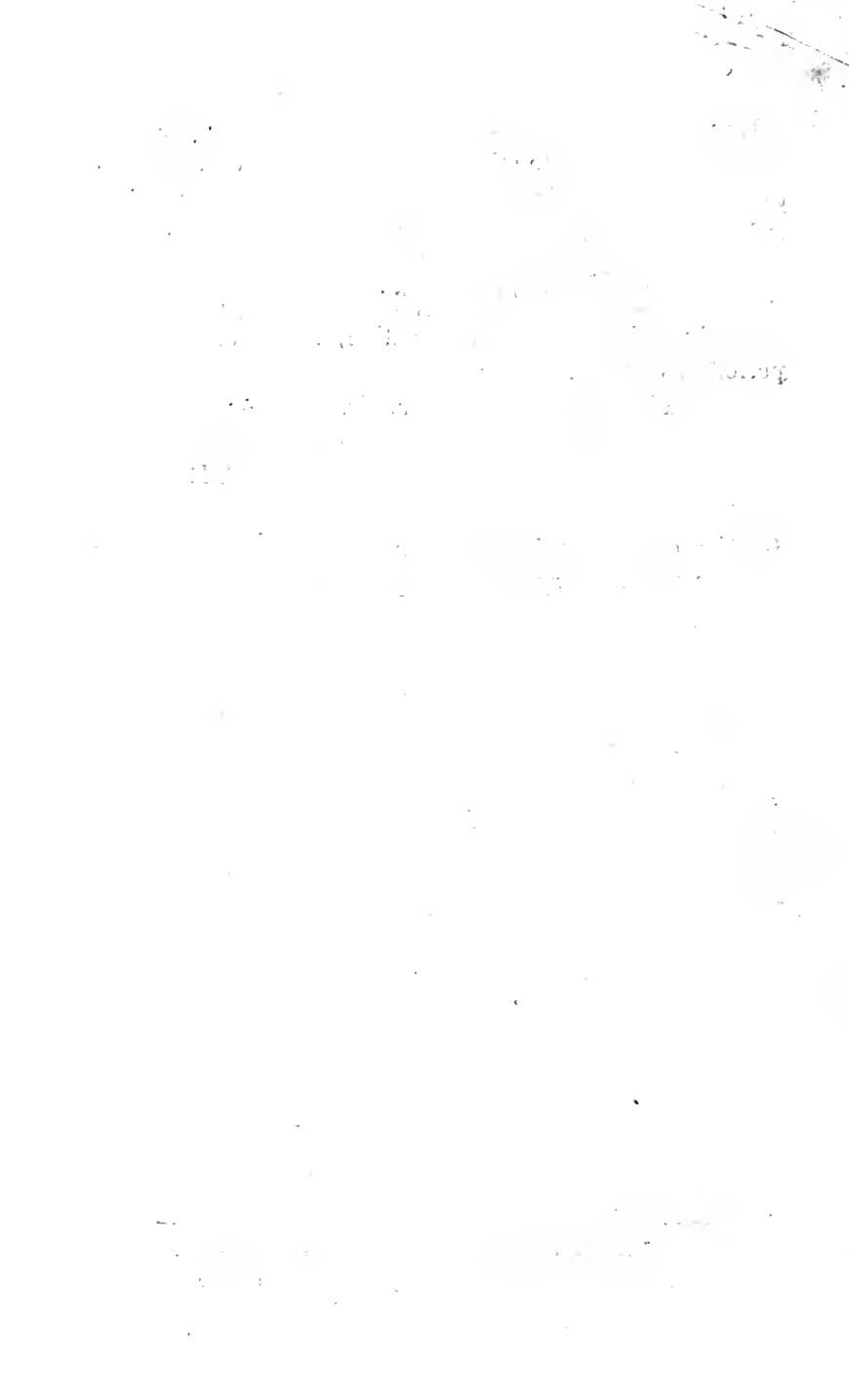
JAMES THICK.

*Of this communication no other notice was taken than a complimentary acknowledgment of its receipt.*

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